NEWS RELEASE

15 March 2022

31 DECEMBER 2021 HALF-YEAR FINANCIAL REPORT

Attached please find Half-Year Financial Report for the six months ended 31 December 2021.

Yours faithfully

JOHN BORSHOFF
Managing Director/CEO
Deep Yellow Limited

This ASX announcement was authorised for release by Mr John Borshoff, Managing Director/CEO, for and on behalf of the Board of Deep Yellow Limited.

DYL: ASX & NSX (Namibia)

DYLLF: OTCQX (USA)

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(ACN 006 391 948)

Interim Consolidated Financial Statements For The Half-Year Ended 31 December 2021

Contents

Board of Directors

Chris Salisbury	Chairman (Non-executive)
John Borshoff	Managing Director/CEO*
Mervyn Greene	Non-executive Director
Greg Meyerowitz	Non-executive Director
Justin Reid	Non-executive Director
Gillian Swaby	Executive Director

* referred to as Managing Director throughout this report.

Registered Office

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Company Secretary

Mark Pitts

Postal Address

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Stock Exchange Listings

Australian Securities Exchange (**ASX**)	Code: DYL
OTC Markets Group (**OTCQX**)	Code: DYLLF
Namibian Stock Exchange (**NSX**)	Code: DYL

Auditor

Ernst & Young
11 Mounts Bay Road
Perth Western Australia 6000

Website Address

www.deepyellow.com.au

Australian Business Number

97 006 391 948

Share Registry

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Telephone: 1300 557 010
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The Directors of Deep Yellow Limited (**Company**) submit herewith the financial report of the Company and its subsidiaries (the **Group**) for the half-year ended 31 December 2021. In order to comply with the provisions of the *Corporations Act 2001,* the Directors report as follows:

Directors

The names of the Company's directors in office during the half-year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

Chris Salisbury	Chairman (Non-executive)
John Borshoff	Managing Director
Rudolf Brunovs	Non-executive Director (resigned 31 December 2021)
Mervyn Greene	Non-executive Director
Greg Meyerowitz	Non-executive Director (appointed 1 December 2021)
Justin Reid	Non-executive Director
Gillian Swaby	Executive Director
Christophe Urtel	Non-executive Director (resigned 29 November 2021)

REVIEW AND RESULTS OF OPERATIONS

Overview

Activities for the six-month period to 31 December 2021 involved continuing the advancement of the Tumas Definitive Feasibility Study together with the Company's Namibian exploration projects, and continued M&A efforts.

Key achievements:

- Infill resource upgrade drilling program completed on Tumas 3 and 1 East deposits, with a total of 1,473 holes for 24,942m (refer ASX announcement 19 August 2021).

- Measured and Indicated Mineral Resource increased significantly at Tumas 1, 2, 3 and 1 East, to 98.7Mlb at 266ppm eU_3O_8 (refer ASX announcement 2 September 2021).

- Tumas Probable Ore Reserves increased by an impressive 121% to 68.4Mlb U_3O_8 at 345ppm using a 150ppm U_3O_8 cut-off with three deposits increasing Life of Mine beyond the 20-year target for the Project (refer ASX announcement 5 October 2021).

- Tumas Definitive Feasibility Study progressing well and on schedule for completion in latter half of CY2022.

- Thorough review of the Omahola Basement Project resources completed, resulting in the upgrade of resources to JORC (2012). Upgraded Mineral Resource Estimate (**MRE**) includes a Measured, Indicated and Inferred Resource base of 125.3Mlb at 190ppm U_3O_8 using 100ppm cut-off (refer ASX announcement 4 November 2021).

- Omahola basement exploration outlined three highly prospective targets for follow-up (refer ASX announcement 22 December 2021).

- 10 holes for 2,549m completed at Barking Gecko, successfully completing the Phase 1 drilling program of 14 holes for 3,561m (refer ASX announcement 18 January 2022).

Introduction

The first half-year activities were extensive, with a primary focus on progressing the Tumas Project Definitive Feasibility Study (**DFS**) with infill resource upgrade drilling at Tumas 1 East and Tumas 3 deposits, delivery of a new ore reserve and mining study to achieve a 20+ year Life Of Mine (**LOM**) and drilling of 14 triple-tube diamond holes for geotechnical purposes together with three water bores.

Exploration activities focused on the Omahola and Barking Gecko basement targets. Approximately 15,000m of shallow and deep RC drilling were completed, with all programs returning highly positive results.

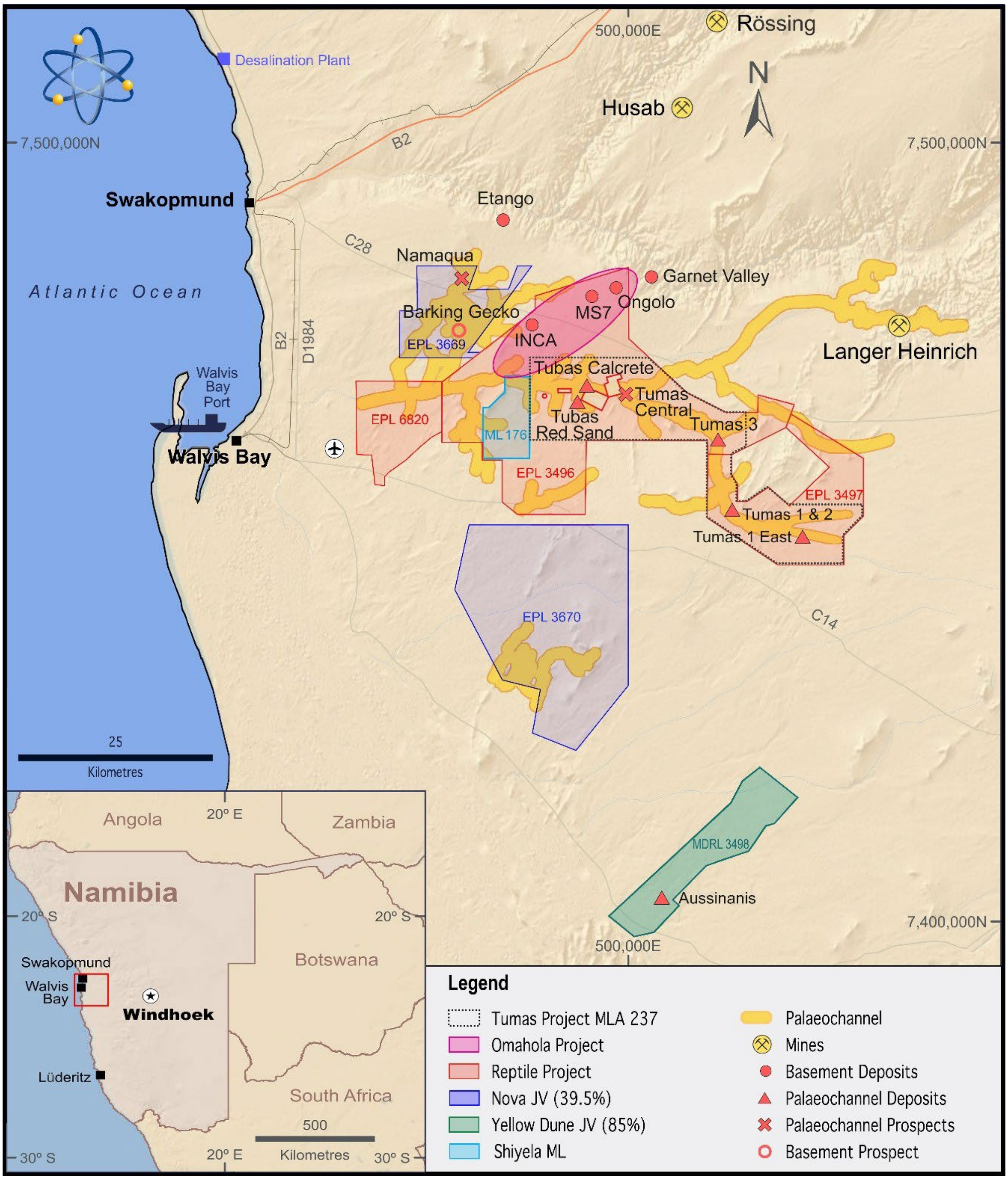

Figure 1: *Namibian location map showing position of the projects.*

REPTILE PROJECT, NAMIBIA (EPLs 3496, 3497) – 100% DEEP YELLOW

Tumas 1 East Resource Upgrade Drilling and MRE Update

The Tumas 1 East RC infill resource upgrade drilling program, located on EPL3497 (Figure 2), was completed with 718 RC holes drilled for 9,987m. This marks the finalisation of the Tumas infill resource drilling program with a total of 1,473 holes for 24,942m.

The updated MRE at Tumas 1 East delivered a maiden Indicated Mineral Resource of 19.6Mlb eU_3O_8 at 245ppm, using a 100ppm cut off. In addition, an Inferred Mineral Resource of 9.2Mlb eU_3O_8 at 216ppm remains within the Tumas 1 East deposit to be upgraded at a future date.

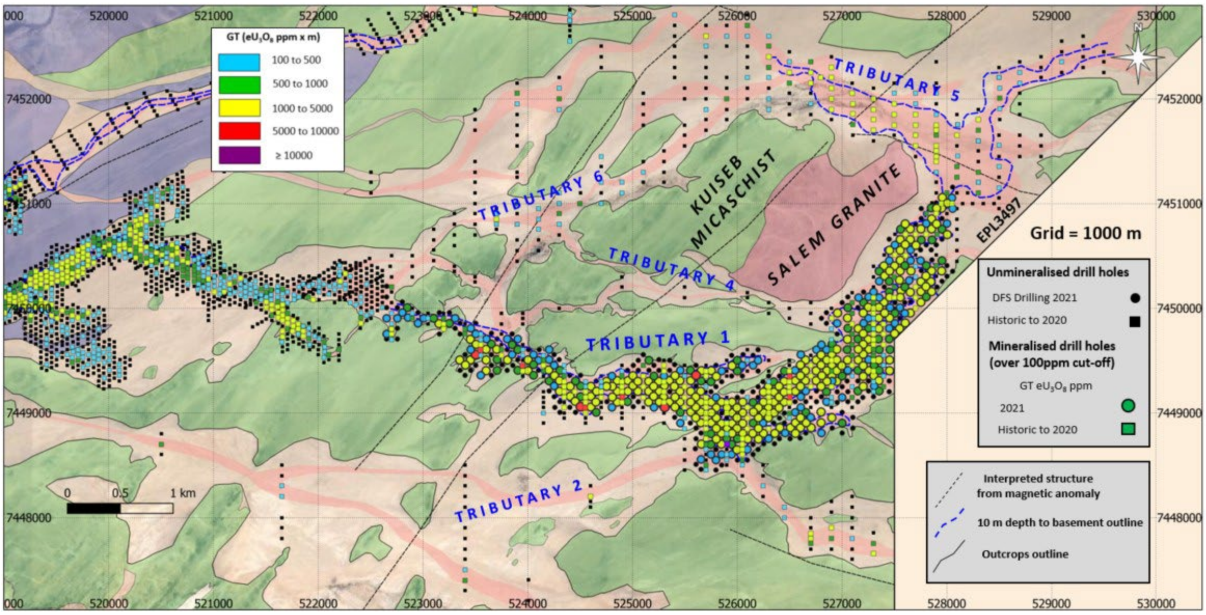

***Figure 2:** Tumas 1 East drill hole locations showing previous drill collars and June to August resource upgrade infill holes.*

An updated MRE was completed on the Tumas 1, 2, 3 and 1 East orebodies, increasing the overall Indicated Mineral Resource base at a 100ppm eU_3O_8 cut-off from 52.6Mlb to a total of 98.7Mlb eU_3O_8. The total remaining Inferred Mineral Resource is 15.3Mlb at 266ppm eU_3O_8 at 100ppm eU_3O_8 cut-off.

Tumas Ore Reserve Estimate (ORE)

The increased Indicated Mineral Resources announced for both Tumas 3 and 1 East have proved sufficient to achieve the first key milestone of the DFS, which was to establish sufficient Ore Reserves to support a 20+ year LOM on the Tumas Project.

Using the economic parameters and other modifying factors reported in the Pre- Feasibility Study (**PFS**), the Ore Reserves available at Tumas were updated and substantially increased. The updated ORE for the Tumas Project now totals Probable Ore Reserves of 68.4Mlb U_3O_8 at 345ppm, using a 150ppm U_3O_8 cut-off for Tumas 1, 2, 3 and 1 East (see Table 1), with a waste to ore ratio of 2.6:1.

Table 1: *Tumas Project Updated Ore Reserves by Deposit*

Tumas Probable Ore Reserve Estimates							
Area	U_3O_8 Cut-off	Maiden Reserve			**Updated Reserve**		
		Tonnes	U_3O_8	U_3O_8 Metal	**Tonnes**	**U_3O_8**	**U_3O_8 Metal**
	ppm	Mt	ppm	Mlb	**Mt**	**ppm**	**Mlb**
Tumas 1&2	150	13.9	292	9.0	**14.5**	**272**	**8.94**
Tumas 1 East	150				**29.5**	**267**	**17.35**
Tumas 3	150	26.9	371	22.0	**46.3**	**412**	**42.11**
Total	150	40.9	344	31.0	**89.9**	**345**	**68.40**

The rounding in the above table is an attempt to represent levels of precision implied in the estimation process which may result in apparent errors of summation in some columns.

This updated ORE represents a 121% increase from the maiden Tumas ORE announced in the PFS. This substantial increase in Ore Reserves confirmed that Tumas will support a +20-year LOM at production rates assumed for the PFS (a maximum of either 3.75Mtpa or 3.0Mlb U_3O_8 pa).

Cube Consulting were engaged by the Company to undertake the Ore Reserve Update.

On the proposed schedule, mining will commence at Tumas 3 and transition into Tumas 1 and 1 East after 7 years, continuing to produce from all three orebodies until cessation of mining after 20 years. Recovery from stockpiles will continue for an additional 5.75 years at lower production rates.

Tumas DFS Progress

The DFS work program to date has focused on completion of the optimisation and trade-off studies recommended in the PFS, additional metallurgical test work and any further work required as part of the MLA or Environmental Impact Assessment (**EIA**) programs.

In support of the DFS, various work programs including geotechnical drilling on the plant site totaling four holes and density determinations on drill core of Tumas 3, were carried out. Water boring targeted to construct six test production bores started in November with three holes now completed. More than one tonne of RC samples for metallurgical testing was sent to Perth and numerous drill core samples for geotechnical studies were included in the consignment.

The DFS remains on track for completion in the December quarter 2022.

Deep Yellow is focused on progressing Tumas towards a development decision, the timing of which is in line with the anticipated uranium price increase expected late 2022/mid-2023.

Omahola Basement Project

The Omahola Project (**Omahola**) occurs within the highly prospective "Alaskite Alley" corridor within which major uranium deposits including Rössing, Husab, Etango and Valencia deposits are located in the basement rocks. These deposits contain in excess of 800Mlb U_3O_8, with the Rössing mine alone having produced more than 200Mlb U_3O_8.

The overall target associated with Omahola occupies a 35km x 14km northwest-southeast trending zone within the Alaskite Alley corridor.

Exploration was initiated on these basement targets with a shallow RC drilling program to start at Omahola, targeting extensions of the known deposits in the NW portion of EPL3496.

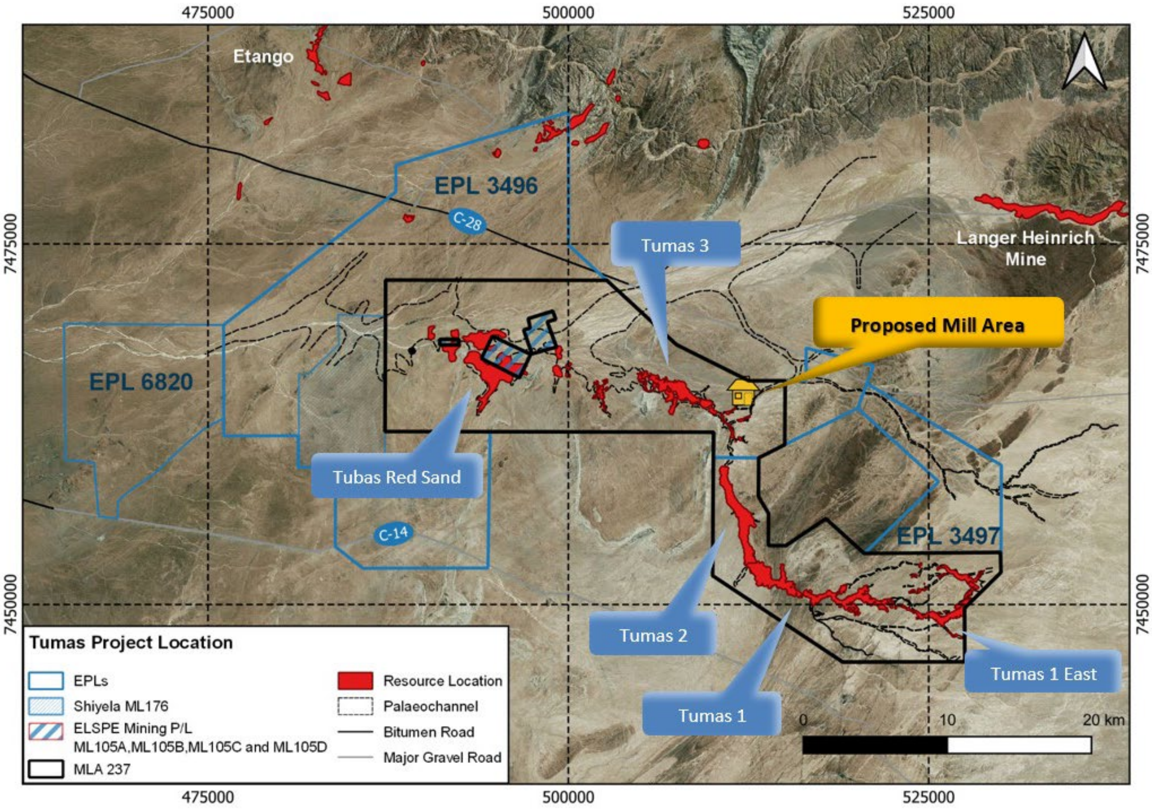

***Figure 3:** Tumas Project showing Mining Lease Application and relationship to conceptual central processing plant.*

Omahola Resource Upgrade

The Company also announced an upgrade of the MRE from JORC (2004) to JORC (2012) for Omahola, which includes the Ongolo, MS7 and Inca deposits (see Figure 4).

The MRE now reports a Measured, Indicated and Inferred Mineral Resource base of 125.3Mlb at 190ppm U_3O_8 at a 100ppm U_3O_8 cut-off. Using a 150ppm U_3O_8 cut-off, the deposits contain a combined 82.9Mlb U_3O_8 at 269ppm. See Table 2 below.

Considering the results of more recent feasibility studies by other companies evaluating similar, near-adjacent basement deposits it was determined that reporting the MRE at a 100ppm U_3O_8 cut-off is more appropriate than the 250ppm U_3O_8 cut-off used historically by the Company. This has resulted in a substantial increase in contained metal accompanied by a reciprocating grade reduction. Table 2 lists the detailed MRE at a 100ppm U_3O_8 cut-off associated with the three deposits within Omahola.

Table 2: *Updated MREs Reported to JORC (2012) Code*

Deposit	Category	Cut-off ppm U_3O_8	Tonnes Mt	Grade U_3O_8 ppm	Metal t	Metal Mlb
100ppm Cut-offs						
Inca	Indicated	100	21.4	260	5,600	12.3
	Inferred	100	15.2	290	4,400	9.7
Ongolo	Measured	100	47.7	187	8,900	19.7
	Indicated	100	85.4	168	14,300	31.7
	Inferred	100	94	175	16,400	36.3
MS7	Measured	100	18.63	220	4,100	9.05
	Indicated	100	7.15	184	1,300	2.9
	Inferred	100	8.71	190	1,600	3.65
Total			**298.2**	**190**		**125.3**
150ppm Cut-offs						
Inca	Indicated	150	14.7	320	4,800	10.5
	Inferred	150	10.8	360	3,900	8.5
Ongolo	Measured	150	23.1	257	5,900	13.1
	Indicated	150	34.5	239	8,200	18.1
	Inferred	150	39.2	251	9,800	21.7
MS7	Measured	150	10.55	296	3,100	6.87
	Indicated	150	3.02	271	800	1.8
	Inferred	150	3.86	277	1,000	2.36
Total			**139.7**	**269**		**82.9**

Omahola Exploration - Shallow Drilling Program

A comprehensive review and re-interpretation of existing data at Omahola has shown a major prospective zone of 50km of folded strike length, of which only 15km have been adequately tested leaving significant scope for both expansion of existing deposits and discovery of new deposits.

A study of the historical drill results to identify the minimum drilling depth required to isolate the footprint of an existing deposit (Ongolo, MS7, Inca), showed that anomalous presence of deposits could be recognised using first pass drilling to a depth of about 25m. Based on this, a shallow 220 hole, 7,426m program commenced which involved hole spacings at a 400m x 100m grid drilling to a 25m depth into the basement (Figure 4). This program covered the structural target zone occurring between the known deposits of Omahola extending over a 10km strike length toward the SSE.

Figure 4 shows current and historic drill hole locations, outlining key >50ppm and >100ppm eU_3O_8 results over 1m contours from the shallow exploration drilling. These results clearly identified extensive high priority zones identified for follow-up work, with 15% of the shallow drilling program intersecting uranium mineralisation greater than 100ppm eU_3O_8 over 1m and indicating the highly uraniferous nature of the targeted prospective zone.

Results to date indicate that strong potential exists for discovery of new deposits within the Omahola Project area. The anomalous holes occur in three distinct clusters, each representing a priority target for follow-up drilling in 2022.

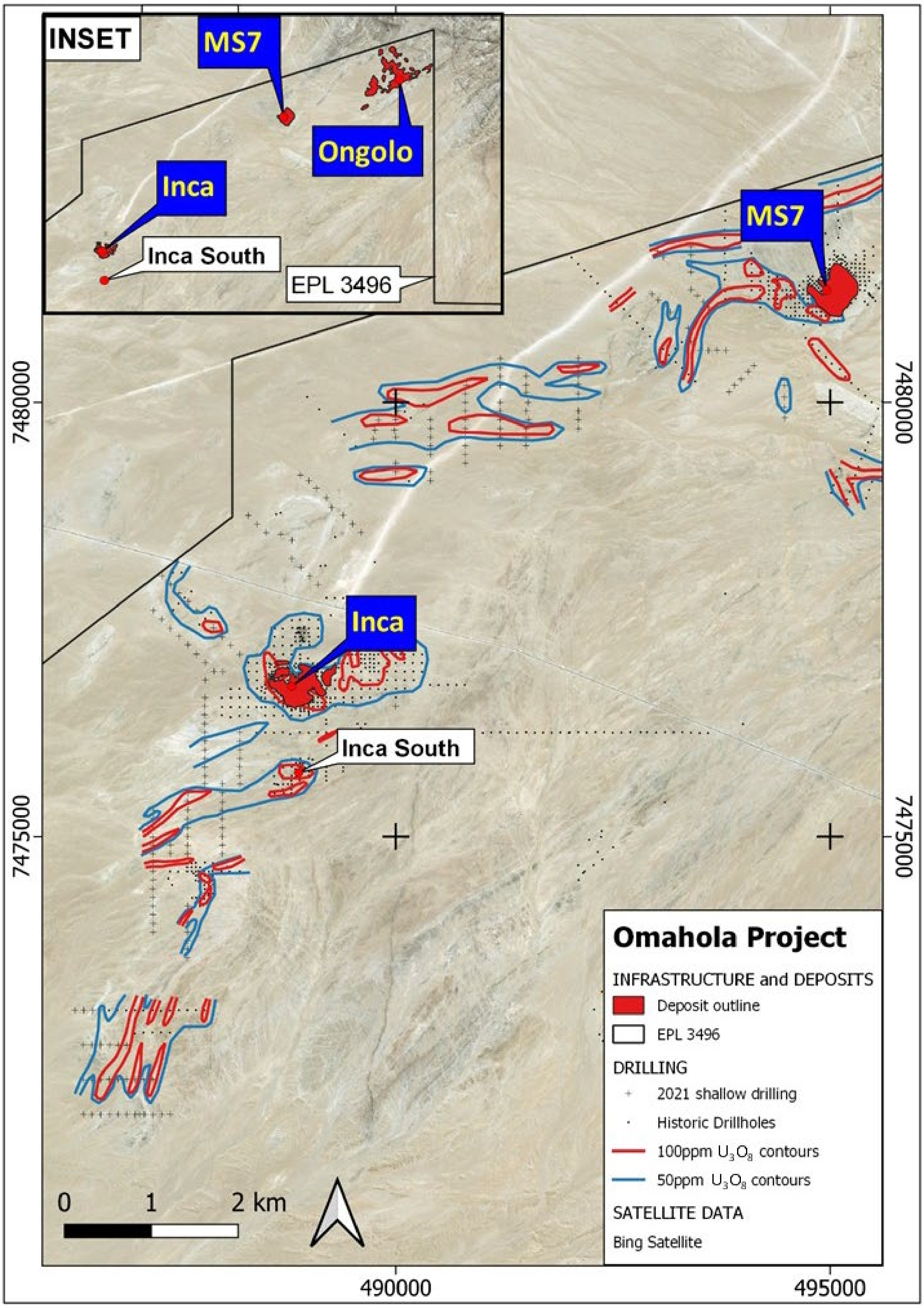

Figure 4: *Omahola area showing existing deposits, drill hole locations and the extensive 50ppm and 100ppm eU_3O_8 over 1m contours of the mineralisation identified from the 2021 drilling program.*

NOVA JOINT VENTURE

With JOGMEC completing its earn-in obligation in October 2021, the parties are now jointly contributing to the Nova Joint Venture (**NJV**) with three of the partners (Deep Yellow, JOGMEC and Toro) contributing funding on a pro-rata basis.

Reptile Mineral Resources & Exploration (Pty) Ltd *Subsidiary of Deep Yellow Limited*	39.5% (Manager)
Japan Oil, Gas and Metals National Corporation (JOGMEC)	39.5% (Right to equity)
Nova Energy (Africa) Pty Ltd *Subsidiary of Toro Energy Ltd*	15%
Sixzone Investments (Pty) Ltd *Namibia*	6% (Carried interest)

Barking Gecko Drilling

The 14-hole, 3,561m Phase 1 RC drilling program at Barking Gecko was designed to follow up previous encouraging results. This work focused on gaining a better understanding of this "blind" discovery and testing its possible easterly extension. Positive results have continued from this program, with 13 of 14 holes intersecting uranium mineralisation. The standout highlight from this program was hole TN258RC, which included 70m at 503ppm eU_3O_8 contained in four intersections over an 83m zone from 178m depth (Figure 5). Other holes showing very encouraging results included TN260RC with 14m at 381ppm eU_3O_8 from 130m and TN261RC showing 29m at 529ppm eU_3O_8 from 151m in 2 intersections over a 36m interval.

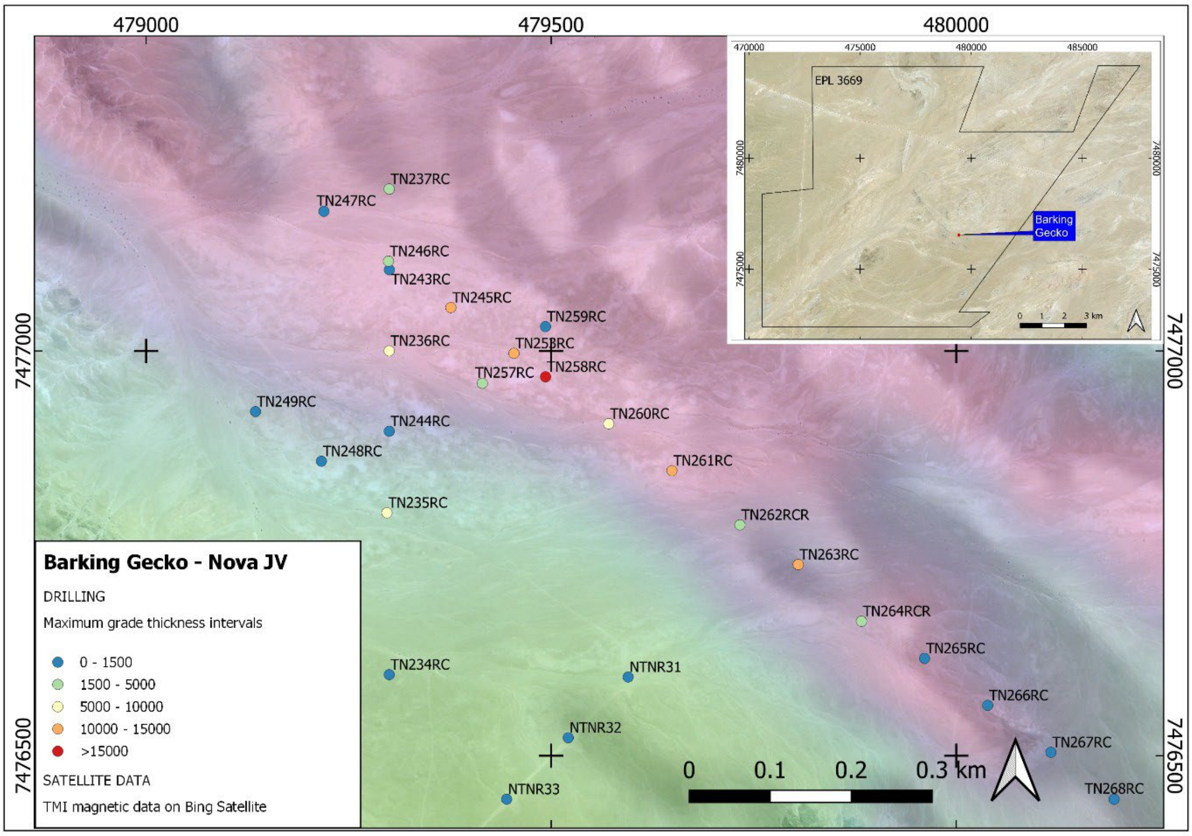

Figure 5: *Barking Gecko Prospect on EPL3669, showing maximum grade thickness intervals from drilling up to December 2021.*

SUBSEQUENT EVENTS

Update on Tumas DFS confirms and, in parts, betters PFS assumptions

Tumas DFS metallurgical testwork completed to date demonstrates the process design assumptions used in the Tumas PFS financial model remain fit-for-purpose and valid (refer ASX announcement 3 February 2022). The overall process metallurgical recovery of 93.8% (PFS) was confirmed through further beneficiation and leach testwork on a representative bulk composite sample.

Notably, beneficiation testwork has increased beneficiation mass rejection from 35% (PFS) to 55% with the same metallurgical recovery, leading to a lower downstream capital and operating cost expectation.

Data from a study completed by the Commonwealth Scientific and Industrial Research Organisation (**CSIRO**) confirms that seepage from Waste Rock Dumps and the Tailings Storage Facility will not be a long-term rehabilitation liability.

The MLA and EIA processes continue to proceed well with nothing identified to preclude the planned development of the Project.

The power supply optimisation study identified cost reductions through use of grid power and solar array, improving Project sustainability and lowering greenhouse gas emissions. The groundwater production bore development program shows that a sustainable supply of groundwater for low grade usage is available, reducing the demand for desalinated NamWater supplies.

The update recognises a significant increase in forecast Project economic outcomes using the PFS model assumptions, following establishment of a 20+ year Life of Mine for DFS evaluation (Table 3).

***Table 3**: Updated Financial Forecasts*

Forecast Project Outcomes with PFS Model Assumptions and Updated Ore Reserves			
Item	**Units**	**PFS**	**Reserve update**
Plant Capacity	**Mlb U_3O_8 pa**	3	**3**
Life of Mine (Production)	**Years**	11.5	**25.75**
Development Period	**Years**	1.5	**1.5**
Operating Margin (EBITDA) (U_3O_8 @ US$65/lb & V_2O_5 @ US$7/lb)	**US$M**	1,034	**2,215**
Initial CAPEX (incl pre-production)	**US$M**	320	**333**
Project $NPV_{8.6}$: Post tax, ungeared	**US$M**	207	**412**
Project IRR: Post tax, ungeared, real	**%**	21%	**23%**
Project Payback Period from Production Start: Real	**Years**	3.8	**3.8**

SHIYELA IRON ORE PROJECT

An option agreement was entered into for the sale of shares in Shiyela Iron (Pty) Ltd which holds the Shiyela Iron Ore Project (ML176) (refer ASX announcement 22 October 2021). The parties involved include Deep Yellow's Namibian subsidiary, Reptile Mineral Resources and Exploration (Pty) Ltd and Oponona Investments (Proprietary) Limited, each holding 95% and 5% respectively of the shares in Shiyela Iron (Proprietary) Limited.

The Exclusivity Agreement is with HyIron Green Technologies (Pty) Ltd (HyIron), a Namibian registered company associated with German technology leader CO2Grab GmbH, Aachen. HyIron aims to utilise its proprietary technology, together with renewable energy, to produce green pig iron for utilisation by boutique steel manufacturers in Germany. Deep Yellow is focused on the exploration and development of uranium and the development of an iron ore deposit is non-core.

The Agreement has a twelve-month option, to enable HyIron to undertake general due diligence and a number of baseline wind, water and solar studies including, geotechnical test work.

DEEP YELLOW GROWTH STRATEGY

The Deep Yellow strategic growth plan is focused on establishing the Company as a low-cost, tier-one global uranium platform. The dual-pillar strategy has been developed to deliver organic and inorganic growth through firstly, advancing the development of its Namibian projects and secondly, via sector consolidation, to acquire additional projects through merger and acquisition. This utilises the strong uranium project development, operational and corporate capabilities, and proven track record of the Deep Yellow management team.

The Company remains well-funded to continue the execution of this strategy over the next 12 months.

LISTED OPTIONS

The Acceleration Trigger for the listed options, being 20 consecutive days trading on ASX at a price in excess of 78 cents, was reached at close of trade on Monday 27 September 2021, with options ceasing to trade on Monday 25 October and expiring Friday 29 October. The options were exercisable at 50 cents.

Following their expiry, only 942,698 options lapsed with the balance exercised. This brought an additional $25,044,228 into treasury in the six months ending 31 December 2021.

Competent Person's Statements

The information in this announcement as it relates to exploration results and Mineral Resource estimates was compiled by Martin Hirsch, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Hirsch, who is currently the Manager, Resources & Pre-Development for Reptile Mineral Resources and Exploration (Pty) Ltd (RMR), 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. Mr Hirsch consents to the inclusion in this announcement of the matters based on the information in the form and context in which it appears. M Hirsch holds shares in the Company.

Where the Company references exploration results, Mineral Resource and Ore Reserve estimates and ASX Announcements made previously it confirms that the relevant JORC Table 1 disclosures are included with them and that it is not aware of any new information or data that materially affects the information included in those ASX Announcements and in the case of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the Announcements continue to apply and have not materially changed.

The JORC 2004 classified Mineral Resources have not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported, however, as previously noted these are currently being reviewed to bring all resources up to JORC 2012 standard.

Project and Technical Expertise

Mr Darryl Butcher is a process engineer/metallurgist working for Deep Yellow and has sufficient experience to advise the Company on matters relating to mine development and uranium processing, project scheduling, processing methodology and project capital and operating costs. Mr Butcher is satisfied that the information provided in this report has been determined to an appropriate level of accuracy and that the relevant modifying factors are suitable to use as modifying factors for the updated Ore Reserve estimate and based on the increased mine life, the update to the PFS financial outcomes.

Forward Looking Statement

Any statements, estimates, forecasts or projections with respect to the future performance of Deep Yellow and/or its subsidiaries contained in this announcement are based on subjective assumptions made by Deep Yellow's management and about circumstances and events that have not yet taken place. Such statements, estimates, forecasts and projections involve significant elements of subjective judgement and analysis which, whilst reasonably formulated, cannot be guaranteed to occur. Accordingly, no representations are made by Deep Yellow or its affiliates, subsidiaries, directors, officers, agents, advisers or employees as to the accuracy of such information; such statements, estimates, forecasts and projections should not be relied upon as indicative of future value or as a guarantee of value or future results; and there can be no assurance that the projected results will be achieved.

Results of operations

Exploration expenditure capitalised for the half-year was $3,631,166 (December 2020: $1,222,932).

Consolidated loss from continuing operations after income tax for the half-year was $2,827,185 (December 2020: $2,074,551). Total expenses for the period were $3,116,004 (December 2020: $2,217,318).

Auditor's Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 13 and forms part of this Directors' Report for the half-year ended 31 December 2021.

Signed in accordance with a resolution of the Board of Directors.

JOHN BORSHOFF
Managing Director/CEO
Dated this day 15 March 2022

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

As lead auditor for the review of the half-year financial report of Deep Yellow Limited for the half-year ended 31 December 2021, 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 review;

b. No contraventions of any applicable code of professional conduct in relation to the review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

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

Ernst & Young

Ernst & Young

Gavin Buckingham

Gavin Buckingham
Partner
15 March 2022

	Notes	Consolidated 31 December 2021 $	31 December 2020 $
Interest and other income	4	**288,819**	142,767
Revenue and other income	3	**288,819**	142,767
Depreciation and amortisation expenses	5	**(131,812)**	(107,085)
Interest reversal/(expense)		**30,793**	(11,992)
Marketing expenses		**(164,131)**	(101,974)
Occupancy expenses		**(50,523)**	(44,195)
Administrative expenses	5	**(1,518,031)**	(914,510)
Employee expenses	5	**(1,265,878)**	(1,033,235)
Impairment of capitalised mineral exploration and evaluation expenditure	9	**(16,422)**	(4,327)
Loss before income tax		**(2,827,185)**	(2,074,551)
Income tax expense	5	**-**	-
Loss for the period after income tax		**(2,827,185)**	(2,074,551)
Other comprehensive income, net of income tax			
Items to be reclassified to profit and loss in subsequent periods, net of tax			
Foreign currency translation (loss)/gain		**(3,341,107)**	2,348,632
Other comprehensive (loss)/profit for the period, net of tax		**(3,341,107)**	2,348,632
Total comprehensive (loss)/profit for the period, net of tax		**(6,168,292)**	274,081
		Cents	Cents
Loss per share attributable to the ordinary equity holders of the Company			
Basic loss per share		**(0.80)**	(0.85)
Diluted loss per share		**(0.80)**	(0.85)

The accompanying notes form part of these financial statements

	Notes	Consolidated 31 December 2021 $	30 June 2021 $
ASSETS			
Current Assets			
Cash and cash equivalents	6	**71,984,047**	52,448,274
Receivables	7(a),10	**391,956**	534,763
Other assets	7(b)	**163,318**	224,419
Total Current Assets		**72,539,321**	53,207,456
Non-Current Assets			
Right-of-use assets	8	**104,418**	503,105
Property, plant and equipment	8	**729,693**	738,076
Capitalised mineral exploration and evaluation expenditure	9	**43,836,057**	43,420,220
Total Non-Current Assets		**44,670,168**	44,661,401
Total Assets		**117,209,489**	97,868,857
LIABILITIES			
Current Liabilities			
Trade and other payables	10	**768,722**	880,431
Lease liabilities	10	**101,445**	106,929
Employee provisions		**59,276**	117,658
Total Current Liabilities		**929,443**	1,105,018
Non-Current Liabilities			
Employee provisions		**48,569**	38,360
Lease liabilities	10	**-**	429,735
Total Non-Current Liabilities		**48,569**	468,095
Total Liabilities		**978,012**	1,573,113
Net Assets		**116,231,477**	**96,295,744**
EQUITY			
Issued capital		**321,612,945**	296,373,482
Accumulated losses		**(200,908,724)**	(198,081,539)
Employee equity benefits' reserve		**16,308,817**	15,444,255
Foreign currency translation reserve		**(20,781,561)**	(17,440,454)
Total Equity		**116,231,477**	**96,295,744**

The accompanying notes form part of these financial statements

Interim Consolidated Statement of Changes in Equity
For the Half-Year Ended 31 December 2021

	Issued capital	Accumulated losses	Employee equity benefits' reserve	Foreign currency translation reserve	Total equity
	$	$	$	$	$
At 1 July 2021	296,373,482	(198,081,539)	15,444,255	(17,440,454)	96,295,744
Loss for the period	-	(2,827,185)	-	-	(2,827,185)
Other comprehensive expense	-	-	-	(3,341,107)	(3,341,107)
Total comprehensive expense for the period	-	(2,827,185)	-	(3,341,107)	(6,168,292)
Conversion of Performance Share Rights	170,235	-	(170,235)	-	-
Performance Share Rights expensed	-	-	154,222	-	154,222
Share options' expenses	-	-	17,500	-	17,500
Share-based payments' expenses	-	-	1,175,953	-	1,175,953
Loan plan shares forfeited	-	-	(287,878)	-	(287,878)
Exercise of options	25,069,228	-	(25,000)	-	25,044,228
At 31 December 2021	**321,612,945**	**(200,908,724)**	**16,308,817**	**(20,781,561)**	**116,231,477**

	Issued capital	Accumulated losses	Employee equity benefits' reserve	Foreign currency translation reserve	Total equity
	$	$	$	$	$
At 1 July 2020	249,753,196	(193,266,333)	13,476,273	(22,043,521)	47,919,615
Loss for the period	-	(2,074,551)	-	-	(2,074,551)
Other comprehensive income	-	-	-	2,348,632	2,348,632
Total comprehensive (expense)/income for the period	-	(2,074,551)	-	2,348,632	274,081
Conversion of Performance Share Rights	157,624	-	(157,624)	-	-
Performance Share Rights expensed	-	-	171,940	-	171,940
Share options' expenses	-	-	15,741	-	15,741
Share-based payments' expenses	-	-	726,709	-	726,709
Loan plan shares forfeited	-	-	(10,784)	-	(10,784)
At 31 December 2020	**249,910,820**	**(195,340,884)**	**14,222,255**	**(19,694,889)**	**49,097,302**

The accompanying notes form part of these financial statements

Interim Consolidated Statement of Cash Flows
For the Half-Year Ended 31 December 2021

	Notes	Consolidated 31 December 2021 $	Consolidated 31 December 2020 $
Cash flows from operating activities			
Payments to suppliers and employees		**(1,973,654)**	(973,684)
Interest received		**150,178**	60,316
Funds received from JV Partners		**349,525**	497,211
COVID-19 employer stimulus		**-**	51,085
Other receipts		**138,641**	51
Funds spent by JV Manager		**(361,159)**	(322,169)
Interest paid		**(9,989)**	(11,992)
Net cash used in operating activities		**(1,706,458)**	(699,182)
Cash flows from investing activities			
Payments for property, plant and equipment		**(116,591)**	(35,242)
Payments for exploration expenditure		**(3,561,612)**	(1,664,447)
Proceeds on disposal of fixed assets		**-**	5,905
Net cash used in investing activities		**(3,678,203)**	(1,693,784)
Cash flows from financing activities			
Proceeds from the issue of shares		**25,044,228**	-
Payment of lease liabilities		**(52,706)**	(48,877)
Net cash from/(used in) financing activities		**24,991,522**	(48,877)
Net increase/(decrease) in cash held		**19,606,861**	(2,441,843)
Net foreign exchange difference		**(71,088)**	218,568
Cash and cash equivalents at the beginning of the period		**52,448,274**	12,116,972
Cash and cash equivalents at the end of the period	6	**71,984,047**	**9,893,697**

The accompanying notes form part of these financial statements

Note 1 Corporate information

The interim consolidated financial statements of Deep Yellow Limited and its subsidiaries (collectively, the Group) for the half-year ended 31 December 2021 were authorised for issue in accordance with a resolution of the Directors on 14 March 2022, subject to minor changes. Deep Yellow Limited is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded. The Group's principal activities are uranium mineral exploration activities in Namibia and evaluating uranium projects for growth opportunities.

Note 2 Basis of preparation and changes to the Group's accounting policies

Basis of preparation

The interim consolidated financial statements for the half-year ended 31 December 2021 have been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001.* The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The interim consolidated financial statements do not include all the information and disclosures normally included within the annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the annual financial statements.

It is recommended that the interim consolidated financial statements be read in conjunction with the Group's annual financial statements for the year ended 30 June 2021 and considered together with any public announcements made by Deep Yellow Limited during the half-year ended 31 December 2021 in accordance with the continuous disclosure obligations of the ASX listing rules.

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2021, except for adoption of new standards effective for annual periods beginning on or after 1 July 2021. The Group has not early-adopted any other standard, interpretation or amendment that have been issued but are not yet effective.

Several amendments and interpretations apply for the first time in 2021, but do not have an impact on the interim consolidated financial statements of the Group.

Note 3 Operating segment information

The following tables present revenue and profit information for the Group's operating segments for the half-years ended 31 December 2021 and 2020, respectively.

	Australia $	Namibia $	Total $
Half-Year Ended 31 December 2021			
Revenue from contracts with customers *	**-**	**29,861**	**29,861**
Unallocated			
Interest income			**150,178**
Option income			**108,780**
Total revenue			**288,819**
Expenses			
Impairment of capitalised mineral exploration and evaluation expenditure	**-**	**16,422**	**16,422**
Profit and Loss			
Pre-tax segment loss	**(2,865,499)**	**(220,644)**	**(3,086,143)**
Unallocated			
Interest income			**150,178**
Option income			**108,780**
Loss from continuing operations after income tax			**(2,827,185)**

	Australia $	Namibia $	Total $
Half-Year Ended 31 December 2020			
Revenue from contracts with customers *	**-**	31,366	31,366
Unallocated			
Interest income			60,316
COVID-19 employer stimulus grant			51,085
Total revenue			142,767
Expenses			
Impairment of capitalised mineral exploration and evaluation expenditure	**-**	**4,327**	**4,327**
Profit and Loss			
Pre-tax segment loss	(2,065,164)	(120,788)	(2,185,952)
Unallocated			
Interest income			60,316
COVID-19 employer stimulus grant			51,085
Loss from continuing operations after income tax			(2,074,551)

* Asset recharges and administration fee earned in the Namibia segment amounted to $29,650 (2020: $31,315).

Note 3 Operating segment information (cont.)

	Australia $	Namibia $	Total $
Assets			
31 December 2021			
Segment Assets	**295,932**	**44,537,554**	**44,833,486**
Unallocated assets			
Cash			**71,984,047**
Receivables			**391,956**
Total assets			**117,209,489**
Total additions to non-current assets*	**28,339**	**3,719,418**	**3,747,757**
30 June 2021			
Segment Assets	717,440	44,168,380	44,885,820
Unallocated assets			
Cash			52,448,274
Receivables			534,763
Total assets			**97,868,857**
Total additions to non-current assets*	5,197	4,309,190	4,314,387

*Includes right-of-use assets, property, plant and equipment and capitalised mineral exploration and evaluation expenditure

Adjustments and eliminations

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 a part of the core operations of both segments:

- Interest income.
- COVID-19 employer stimulus grant.
- Option income.
- Foreign currency gains and losses.
- Liabilities are not allocated to the segments as they are not monitored by the executive management team on a segment-by-segment basis.

Note 4 Interest and other income

	Consolidated	
	31 December 2021 $	31 December 2020 $
Interest and other income		
Asset recharges and administration fee earned	**29,650**	31,315
Interest	**150,178**	60,316
COVID-19 employer stimulus grant	**-**	51,085
Option income	**108,780**	-
Other	**211**	51
	288,819	142,767

Note 5 Expenses

Profit/(Loss) before income tax includes the following specific expenses:

	31 December 2021 $	31 December 2020 $
Depreciation expense		
Office equipment	**25,388**	22,565
Vehicles	**10,815**	1,314
Site equipment	**25,713**	13,822
Buildings	**12,940**	12,429
Right-of-use assets	**56,956**	56,955
	131,812	107,085
Administrative expenses		
Consultancy fees: Executive directors*	**99,275**	122,719
Technical and other consultants: Project evaluation	**341,339**	160,557
Professional fees	**45,327**	16,702
Legal fees	**282,455**	60,820
Non-executive directors' fees	**181,721**	132,982
Corporate and listing costs	**286,218**	200,462
Other costs	**281,696**	220,268
	1,518,031	914,510

*Excludes costs included in capitalised mineral exploration and evaluation expenditure (Note 9) and Technical and other consultants: Project evaluation (Note 5: Administrative expenses).

Note 5 Expenses (cont.)

	Consolidated	
	31 December 2021 $	31 December 2020 $
Employee expenses		
Wages, salaries and fees	**233,219**	176,109
Superannuation	**13,902**	10,495
Share-based payments*	**1,018,757**	846,631
	1,265,878	1,033,235

*Excludes an amount of $41,040 (31 December 2020: $56,975) included in capitalised mineral exploration and evaluation expenditure.

Income Tax

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings.

Numerical reconciliation between aggregate tax expense recognised in the Statement of Profit and Loss and Other Comprehensive Income and the tax expense calculated per the statutory income tax rate

Loss before income tax	**(2,827,185)**	(2,074,551)
Prima facie tax on result at 30% (2020: 30%)	**(848,156)**	(622,365)
Effect of tax rates in foreign jurisdictions	**42,223**	10,391
Non-deductible share-based payments' expense	**303,707**	254,400
Under-provision in prior year	**-**	(1,298)
Carry forward tax losses and deductible temporary difference not brought to account	**448,946**	363,118
Non-assessable income: COVID-19 employer stimulus grant	**-**	(15,326)
Other	**53,280**	11,080
Income tax expense recognised in Statement of Profit and Loss and Other Comprehensive Income	**-**	-

Note 6 Current assets – cash and cash equivalents

For the purpose of the Interim Consolidated Statement of Cash Flows, cash and cash equivalents are comprised of the following

	Consolidated	
	31 December 2021 $	30 June 2021 $
Cash at bank and in hand	3,622,912	2,888,802
Short term deposits	68,361,135	49,559,472
Total cash and cash equivalents	**71,984,047**	52,448,274

Note 7 Current assets – receivables and other assets

	Consolidated	
	31 December 2021 **$**	30 June 2021 $
(a) Receivables		
GST recoverable	**259,789**	318,403
Other receivables	**132,167**	216,360
	391,956	534,763
(b) Other assets		
Bonds	**89,173**	89,363
Prepayments	**74,145**	135,056
	163,318	224,419

Note 8 Property, plant and equipment

There have been no significant acquisitions or disposals of assets for the half-year ended 31 December 2021.

The Group has reassessed the lease term of its office lease classified as a right-of-use asset and determined that it will no longer exercise its option to extend the office lease for a further two years commencing 1 December 2022. The option to extend the office lease was previously included in its determination of the lease term and the reassessment resulted in an interest reversal of $40,782, reduction in lease liability and in right-of-use asset of $382,513 and $341,731 respectively.

Note 9 Deferred exploration expenditure

	Consolidated	
	31 December 2021 **$**	30 June 2021 $
Cost brought forward at the start of the reporting period	**43,420,220**	35,415,745
Exploration expenditure incurred during the period at cost	**3,631,166**	4,017,580
Exchange adjustment	**(3,198,907)**	4,005,192
Impairment loss	**(16,422)**	(18,297)
Cost carried forward at the end of the reporting period	**43,836,057**	43,420,220

The impairment loss relates to Namibian assets for which the expenditure is not expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale.

Note 10 Financial assets and financial liabilities

Set out below is an overview of financial assets, other than cash and deposits, held by the Group as at 31 December 2021 and 30 June 2021:

	Consolidated	
	31 December 2021 $	30 June 2021 $
Financial assets		
Financial asset at amortised cost		
Receivables	**391,956**	534,763
Total current	**391,956**	534,763
Financial liabilities		
Financial liabilities at amortised cost		
Trade and other payables	**768,722**	880,431
Current interest-bearing liabilities	**101,445**	106,929
Non-current interest-bearing liabilities	**-**	429,735
Total liabilities	**870,167**	1,417,095
Total current	**870,167**	987,360
Total non-current	**-**	429,735

The fair value of financial assets and liabilities approximate their carrying amounts.

Note 11 Share-based payments

(a) Performance Share Rights

On 11 November 2021 and 6 December 2021, the Company granted 139,230 and 71,468 Performance Share Rights respectively under the Deep Yellow Limited Awards Plan (**Awards Plan**). The Performance Share Rights were granted under the Awards Plan for no consideration. The rights vest if certain time measures are met in the measurement period. If these time measures are not met, the rights lapse. The fair value of the rights granted is estimated to be the share price of Deep Yellow Ltd on the grant date. The 139,230 and 71,468 rights will lapse if they have not already lapsed or vested 15 years after grant date and 30 November 2025 respectively. The granted rights have vesting dates between 1 March 2022 and 1 March 2024. There is no cash settlement of the rights. The fair value of rights granted during the six months ended 31 December 2021 was estimated on the grant date using an underlying security spot price of $1.04 and $0.85 for those granted on 11 November 2021 and 6 December 2021 respectively.

The weighted average fair value of the Performance Share Rights granted during the six-month ended 31 December 2021 was $0.976 (year ended 30 June 2021: $0.373). For the six months ended 31 December 2021, the Group has recognised an expense of $113,181 in the Consolidated Statement of Comprehensive Income (31 December 2020: $$114,965).

(b) Loan Plan Shares

On 6 December 2021, 5,359,529 shares were granted to executive directors, employees and contractors under the Deep Yellow Limited Share Loan Plan (**Share Plan**). The Share Plan rewards and incentivises employees, contractors and Directors (participant), where shareholder approval has been granted, through an arrangement where participants are offered shares subject to long term performance conditions. The shares are offered at market value such that the incentive is linked to the increase in value over and above the purchase price and so aligns the participants to the risks and rewards of a shareholder. The purchase price payable by the participant for the ordinary shares is lent to the participant under an interest free limited recourse loan, with the loan secured against the shares. The loan can be repaid at any time, however, the loan must be repaid on the earlier of periods ranging between 7-10 years (determined with each issue) after the issuance of the shares and the occurrence of:

a) in the case of vested shares, the date being 12 months after cessation of employment or service contract for any reason; or

Note 11 Share-based payments (cont.)

b) pre-determined occurrences as per the Share Plan including but not limited to a Control Event or material breach by the Participant.

The shares vest if certain time measures, Company share price targets and clearly defined business goals (where applicable) covering financial and non-financial performance measures are met and the holder of the awards remains employed or contracted to the Company during the measurement period. If these conditions are not met the shares are forfeited and the forfeited shares are treated as full consideration for the repayment of the loan. A participant may not trade shares acquired under the Plan until the shares have vested, any imposed dealing restrictions have ended and the limited recourse loan in respect to those shares has been paid in full. The fair value at grant date is estimated using a Black Scholes option pricing model for shares with non-market based vesting conditions and a Monte-Carlo model for those with market based vesting conditions. The fair value of shares granted during the six-month period ended 31 December 2021 was estimated on the date of offer for employees and consultants and the date of shareholder approval for executive directors using the following assumptions:

Dividend yield (%)	Nil
Expected volatility (%)	85.00
Risk free interest rate (%)	1.74
Expected loan term (years)	7-10
Share price at valuation date ($)	0.945

The weighted average fair value of the shares granted during the six-month period was $0.597 (year ended 30 June 2021: $0.25).

For the six months ended 31 December 2021, the Group has recognised a net expense of $888,075 in the Statement of Profit or Loss (31 December 2020: $715,925).

c) *Zero Exercise Price Options*

On 6 December 2021, the Company granted 186,242 zero exercise price options (**Options**) to Non-executive directors under the Deep Yellow Limited Awards Plan (**Awards Plan**). Options were granted under the Awards Plan for no consideration. The options vest if certain time measures are met in the measurement period. If these time measures are not met, the options lapse. The fair value of the options granted is estimated to be the share price of Deep Yellow Ltd at the date of shareholder approval on 29 November 2021. The options will lapse, if they have not already lapsed or vested for any other reasons, on dates between 1 July 2025 and 1 July 2028. The options will vest on dates between 1 July 2022 and 1 July 2024 and have a nil exercise price. There is no cash settlement of the options. The fair value of options granted during the six months ended 31 December 2021 was estimated on the date of shareholder approval using an underlying security spot price of $0.945.

The weighted average fair value of the Options granted during the six-month ended 31 December 2021 was $0.945 (year ended 30 June 2020: $0.435). For the six months ended 31 December 2021, the Group has recognised an expense of $17,500 in the Consolidated Statement of Comprehensive Income (31 December 2020: $15,741).

Note 12 Contingent assets and liabilities

There were no material contingent assets or liabilities as at 31 December 2021.

Note 13 Events after the reporting date

No event or circumstance has arisen since 31 December 2021 that would require disclosure in the financial report.

Note 14 Dividends

No dividends were paid or proposed for the six months ended 31 December 2021 or 31 December 2020.

Note 15 Key Management Personnel disclosures

There have been no significant change to transactions with and/or compensation to Key Management Personnel since the end of the last annual reporting period, except for:

Other Transactions with Key Management Personnel

Mr Borshoff continued to provide services to the Group through Scomac Management Services Pty Ltd (**Scomac**) as described in the 2021 Financial Report. During the reporting period Scomac billed the Company $857,337, inclusive of GST and on-costs, for technical and geological services rendered by him and other Scomac personnel on normal commercial terms and conditions.

Ms Swaby continued to provide services to the Group through Strategic Consultants Pty Ltd (**Strategic**) as described in the 2021 Financial Report. During the reporting period Strategic billed the Group $177,045, inclusive of GST, for consultancy services on normal commercial terms and conditions.

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

Note 16 Related party transactions

There were no other related party transactions during the year other than those disclosed in Note 15 in relation to Key Management Personnel.

Note 17 Commitments

There were no significant changes in commitments since the last annual financial report.

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

In the opinion of the Directors:

1. The financial statements and notes of the consolidated entity for the half-year ended 31 December 2021 are in accordance with the *Corporations Act 2001*, including:

    a. giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and

    b. complying with Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board of Directors.

JOHN BORSHOFF
Managing Director/CEO
Dated this day 15 March 2022

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working world

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

Conclusion

We have reviewed the accompanying half-year financial report of Deep Yellow Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2021 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with *ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity (ASRE 2410).* Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the half year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Ernst & Young

Gavin Buckingham

Gavin Buckingham
Partner
Perth
15 March 2022