

Deep Yellow Limited

ASX Announcement

ASX & NSX: DYL / OTCQX: DYLLF

1 August 2019

CORPORATE PRESENTATION

Attached is the Company presentation released as part of the North American investor briefing program including the Sprott Conference held in Vancouver, Canada.

Yours faithfully

JOHN BORSHOFF
Managing Director/CEO
Deep Yellow Limited

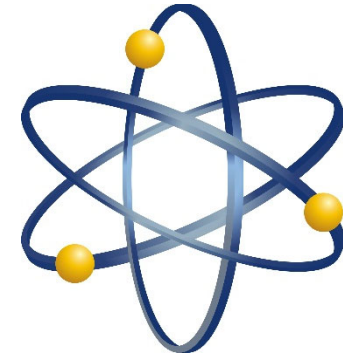
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For further information on the Company and its projects, please visit the website at:
www.deepyellow.com.au



Deep Yellow Limited



**Namibian
Uranium
Association**

Proud member of:

AAMEG
Australia-Africa Minerals & Energy Group



Deep Yellow – Building for the Future

Corporate Update

John Borshoff - Managing Director/CEO

July 2019



ASX / NSX : DYL

OCTQX : DYLLF

Uranium Outlook Today

Unresponsive but vital signs very good

Uranium Demand Increase Not in Question

- ✿ **Increasing demand for uranium is assured, dominated by the Chinese with its aggressive nuclear reactor construction programmes.**
 - Achieved massive growth in 15 years from fledgling of 3 reactors to operating 45 reactors today.
 - Further aggressive growth assured anticipating to build ~8-10+ reactors per year between 2020 and 2030.
- ✿ **In addition India, Russia and Middle East also contemplating ambitious construction programmes 2020 - 2040.**
- ✿ **If China adopted the Paris target of limiting global warming to the 1.5°C, this would need 25% nuclear requiring between 65,000tU - 90,000tU per year by mid century.**
 - This requirement (even at the lower limit) is equivalent to all consumption today by the total global nuclear reactor fleet.
- ✿ **The rest of the world will follow.**

BP Annual Energy Review Report 2018 Findings

- ✿ *Nuclear power increased 2.4% in 2018 (fastest growth since 2010). China contributed 75% of this global growth.*
- ✿ *Growing divergence between demands for action on climate change and actual pace of progression of reducing carbon emissions is emerging despite international efforts. Global energy demand grew 2.9%, carbon emissions still grew 2% in 2018.*
- ✿ *Variable renewable energy installation (especially wind and solar) is limited indicating clear upper limit after which electricity prices spiral.*
- ✿ *If lowering of carbon emissions becomes the imperative, then increase in nuclear energy will become a vital component to achieving sustainability in combating climate change.*
- ✿ **These global trends with long term perspectives are vital to appreciate and will have impact on the uranium price in the near to mid-term and supply consequences.**

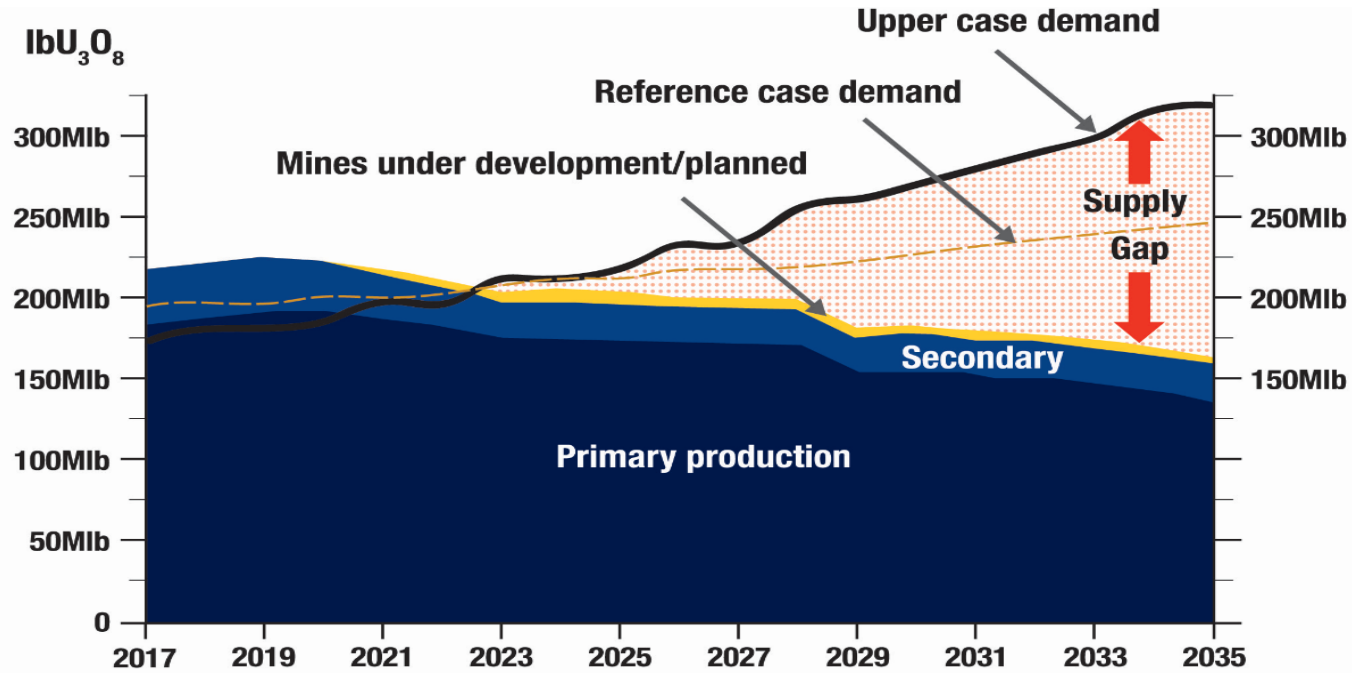
Website Link for BP Annual Energy Review Report 2018:

<https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/energy-economics/statistical-review/bp-stats-review-2019-full-report.pdf>

Uncertainty Supply will Meet Demand Post 2023

- ✿ **Sufficient uranium supply growth is uncertain in the mid to long-term.**
 - Major suppliers mothballing mines – **production cutbacks of ~40Mlb pa.**
 - Rio exiting sector.
 - Production unsustainable with majority “under water” at current spot price.
 - No new mine development until at least > US\$55/lb.
 - US domestic nuclear politics adds to uncertainty and volatility.
- ✿ **Nuclear utility complacency on supply outlook continues.**
 - Uranium price still languishing at sub US\$30/lb (currently US\$25.50/lb) despite production cutbacks.
 - Juniors overpromising on future supply.
- ✿ **Supply shortage is inevitable post 2023.**
 - The shortage, once realised (likely 2021/22), has clear implication for the uranium term price to overshoot forecast US\$65-\$70/lb incentive price levels.
- ✿ **Sector ill prepared to build and operate large production capacity operations to fill the looming shortage.**

Looming Demand Strong but Price Anomaly Persists



Source: WNA 2017 Reference & Upper Cases

NUCLEAR DEMAND STRONG – URANIUM PRICE LAG CLEAR

Date/Event	Operable Reactors	Under Construction	Planned	Proposed	U_3O_8 Required	Prevailing U_3O_8 Price
Feb 2011 (pre-Fukushima)	443	62	156	322	80kt	\$73/lb
July 2019	447	55	111	328	77kt	\$25.50/lb

Source: World Nuclear Association

Strong Disconnect

Extreme potential for prices to substantially overshoot incentive pricing

Uranium Outlook

Uranium in the doldrums.

- US \$23/lb in July '18; closing \$24.5/lb end June '19.

Uranium price stagnated even though Trump rejects s232.

- Trump now institutes powerful Nuclear Fuel Working Group to review fuel production and report in 90 days, maintaining a high level of uncertainty.
- Nuclear utilities will continue holding back on long term contracting.

There is also a global market to consider (75% global demand non-U.S.).

US domestic politics on nuclear will not get rid of the impending supply shortages and fundamental sector problems.

- Will be good for price volatility.

Supply Sector Also Facing Other Problems

Project Quality

- Of the 18 potential projects inked for development, 15 in the sub 1,500ppm grade range – most <500ppm.
- Excluding ISR, operations will need to work at the very high end of difficulty scale.

Incredible Erosion of Supply Industry Expertise

- Chernobyl and Fukushima have had devastating effect on sector expertise.
- Consequential negative impact on new development/operational capability.

Punishing regulatory conditions/Restrictive geo-political regimes/Limited uranium project development experience provides ideal setting for project delays and/or complete project abandonment.

Owning a deposit alone does not automatically translate into production

- Many are unproven producers.
- Higher chance of project delays, underperformance and failures.

High-value exit option as occurred previously for promoters selling to eager majors no longer exists.

General State of Uranium Equities Today

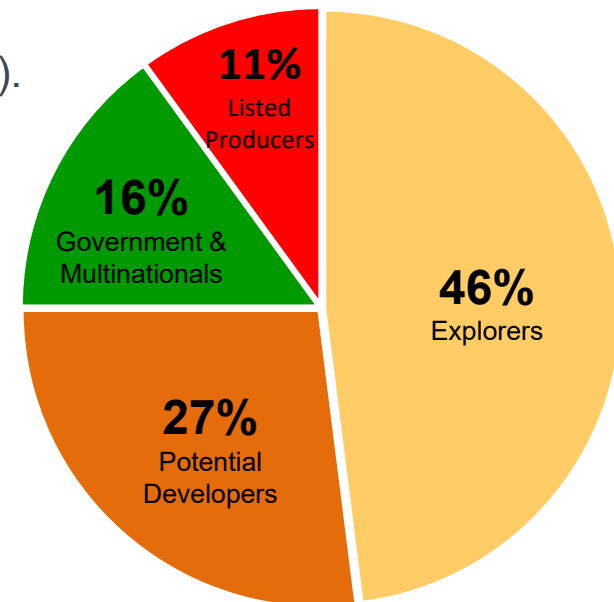
Suffering and in despair

Uranium Sector Overview – *consequence of Fukushima*

Massive attrition post 2011 ~ 420 companies in 2006-2010 period

✿ Today 64 companies world-wide:

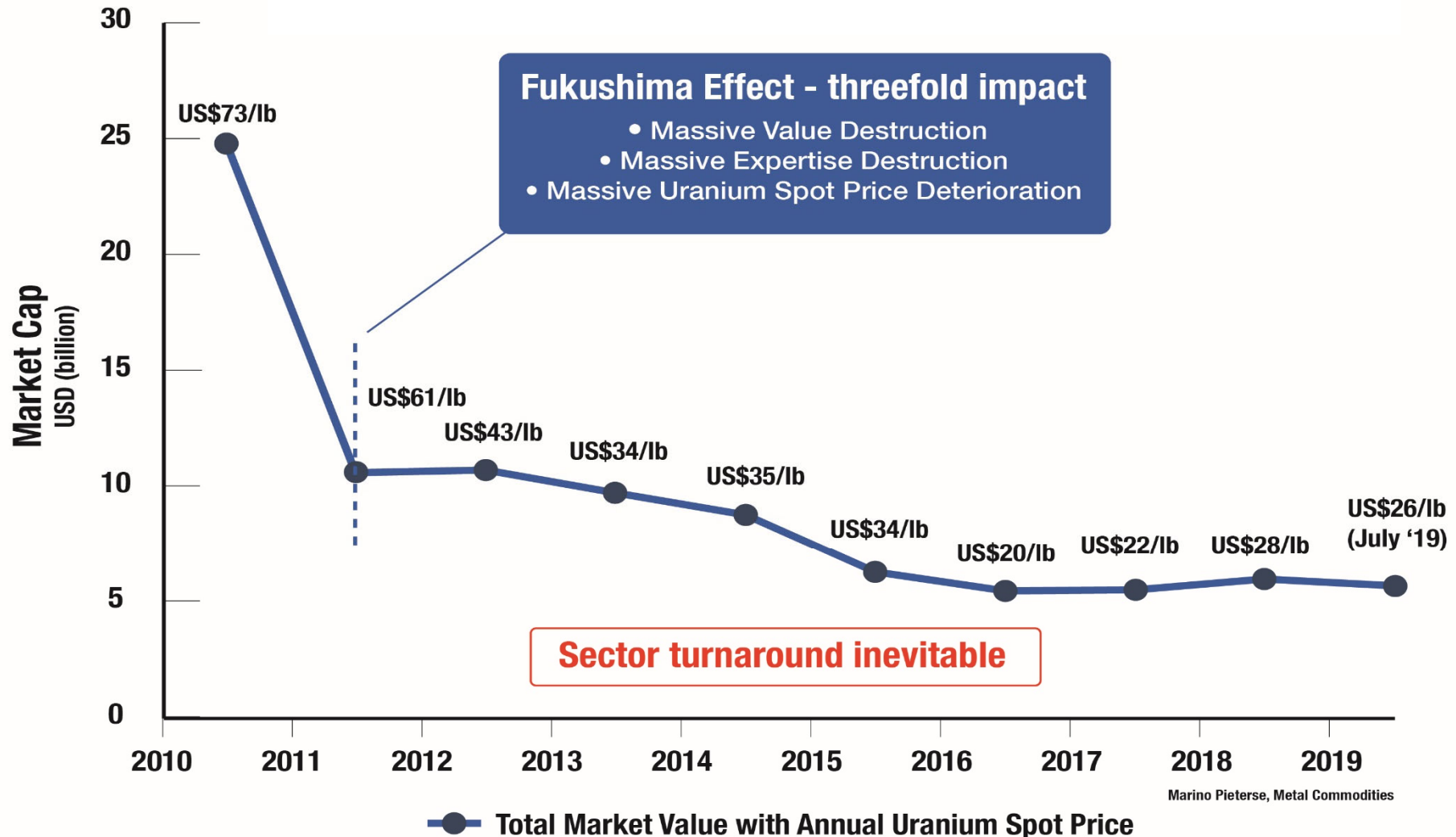
- **10 government associated or multi-national uranium producers.**
- **7 listed uranium producers** (Cameco, ERA* included).
**ERA phasing out.*
- **18 potential developers** (emerging producers).
30% diversifying into battery metals to survive.
- **29 explorers** some with small amount of resources mostly looking to diversify or move out of uranium.



A comprehensive recalibration of the sector

Market Cap - 20 Largest U Companies: 2010-2019

Excluding Kazatomprom



Ideal Time to Apply a Counter Cyclical Strategy

KEY INGREDIENTS STILL REMAIN IN PLACE:

- ✿ A commodity in extended downturn and an industry under financial pressure.
- ✿ Fundamental Supply/Demand disconnect.
- ✿ Majors poised to divest assets or exit sector rather than invest.
- ✿ General investor disinterest, uranium equities languishing.
- ✿ Execution of a counter-cyclical strategy needs experienced leadership and management having high credibility, extensive knowledge and proven capability.

Two-Pronged Strategy for Growth

- ✿ **Enhance the Namibian cornerstone projects via exploration.**
 - Tumas palaeochannel discoveries strongly demonstrating potential exists for new discoveries and significant resource expansion within current Namibian tenements.
- ✿ **Establish a multi-project, global uranium platform through selective sector consolidation with a project pipeline to support up to 5-10Mlb pa low cost production with multi-mine capability.**

Deep Yellow

Corporate Overview

Board		Capital Structure – 22 July 2019	
Rudolf Brunovs	Chairman	Shares on Issue	237.7M
John Borshoff *	MD / CEO	Market Cap (@ A\$0.37/share)	A\$88M
Gillian Swaby *	Director	Net Cash	~ A\$17M
Christophe Urtel	Director	Major Shareholders	
Mervyn Greene	Director	Sprott Group Affiliate	12.22%
Justin Reid *	Director	Collines Investments	8.28%
Mark Pitts	CFO/Co Sec	Paradice Investment Management	7.74%
		Board / Management	5.3%

Senior Technical Team

Perth

Ed Becker*

Dr Andy Wilde*

Namibia

Dr Katrin Kärner*

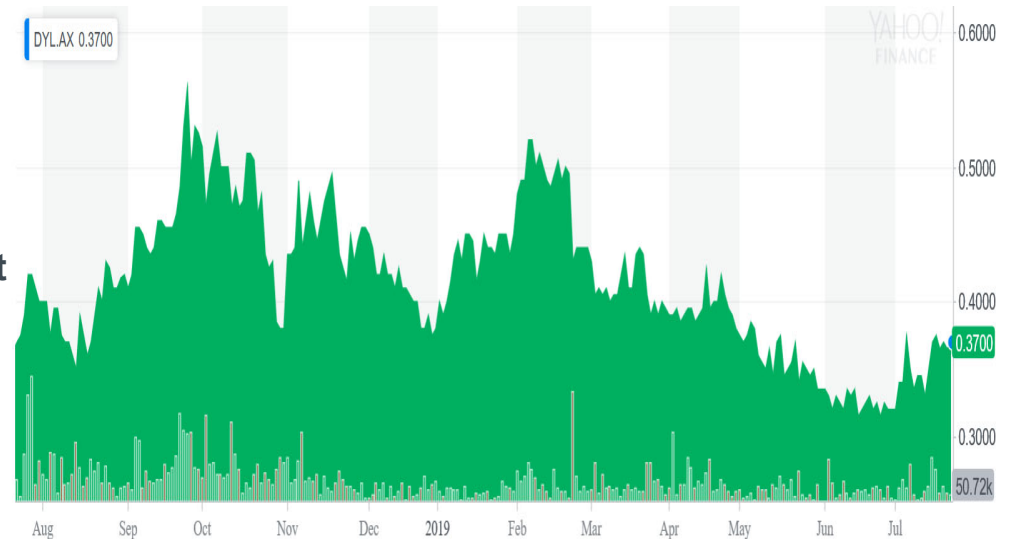
Dr J C Corbin*

**Head of Exploration
Chief Geologist**

**Exploration Manager
Senior Geologist-Specialist**

* *Ex-Paladin*

Share Price movement over 12 months



Key Achievements Over 12 Months

- ✿ **The Reptile project continues to increase its resource base.**
- ✿ **JOGMEC (Japanese Agency) continuing to complete their earn-in obligation on the Nova JV project.**
- ✿ **Sector evaluation has opened doors of opportunity and possibility to be capitalised upon.**
- ✿ **A very successful capital raising was undertaken.**

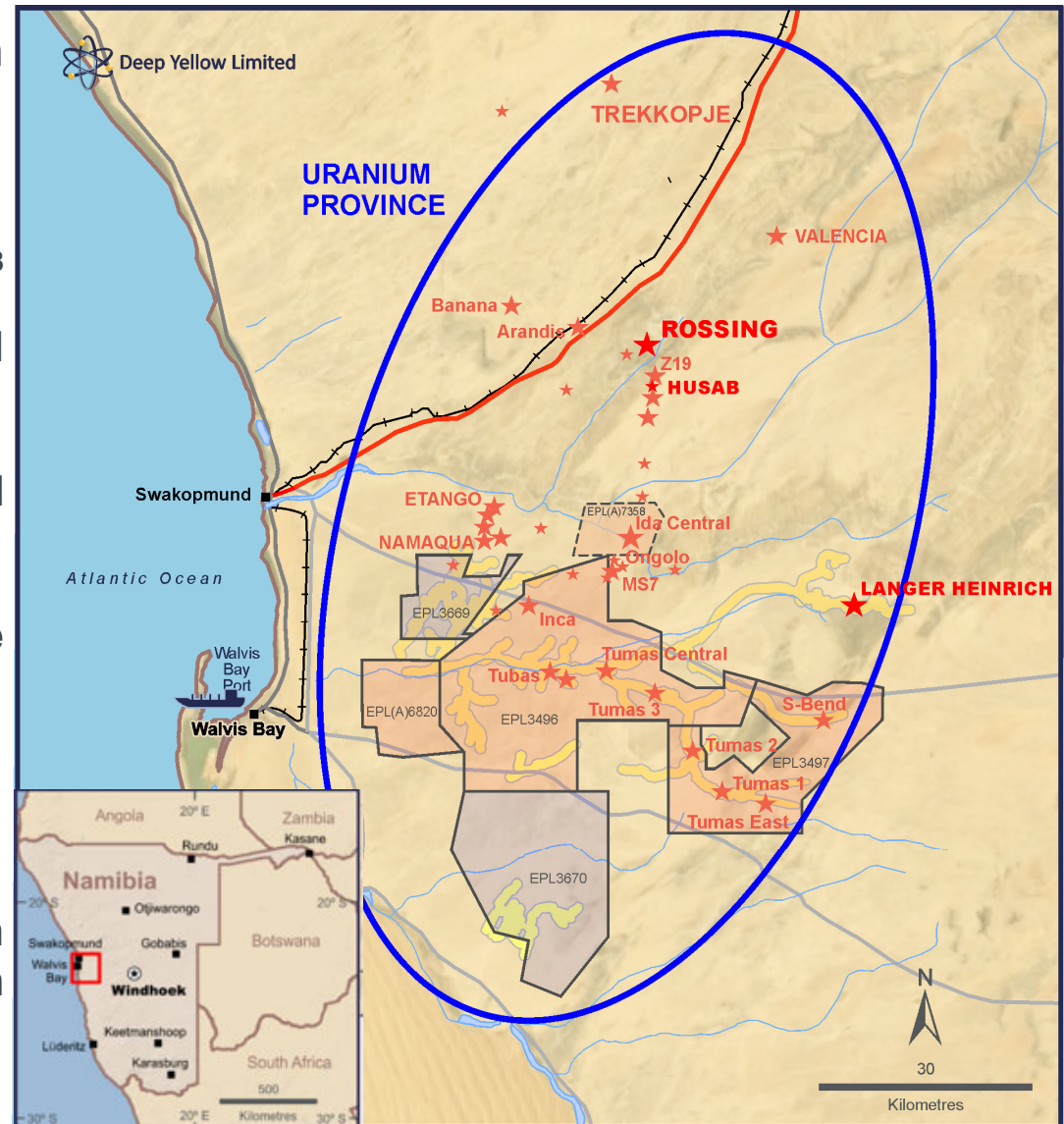
A Revitalised and Differentiated Company

- ✿ **A re-energised, well-funded and advanced uranium explorer.**
 - Future funding support in place.
- ✿ **World class management with a proven track record in uranium.**
- ✿ **Dual focus on resource expansion and sector consolidation aligned with uranium cycle.**
 - In Namibia doubled resource base in 2 years.
- ✿ **Strategically positioning the Company to seize the opportunity to implement our growth strategy.**
- ✿ **Differentiated from other mid-sized uranium companies.**

Namibian Projects

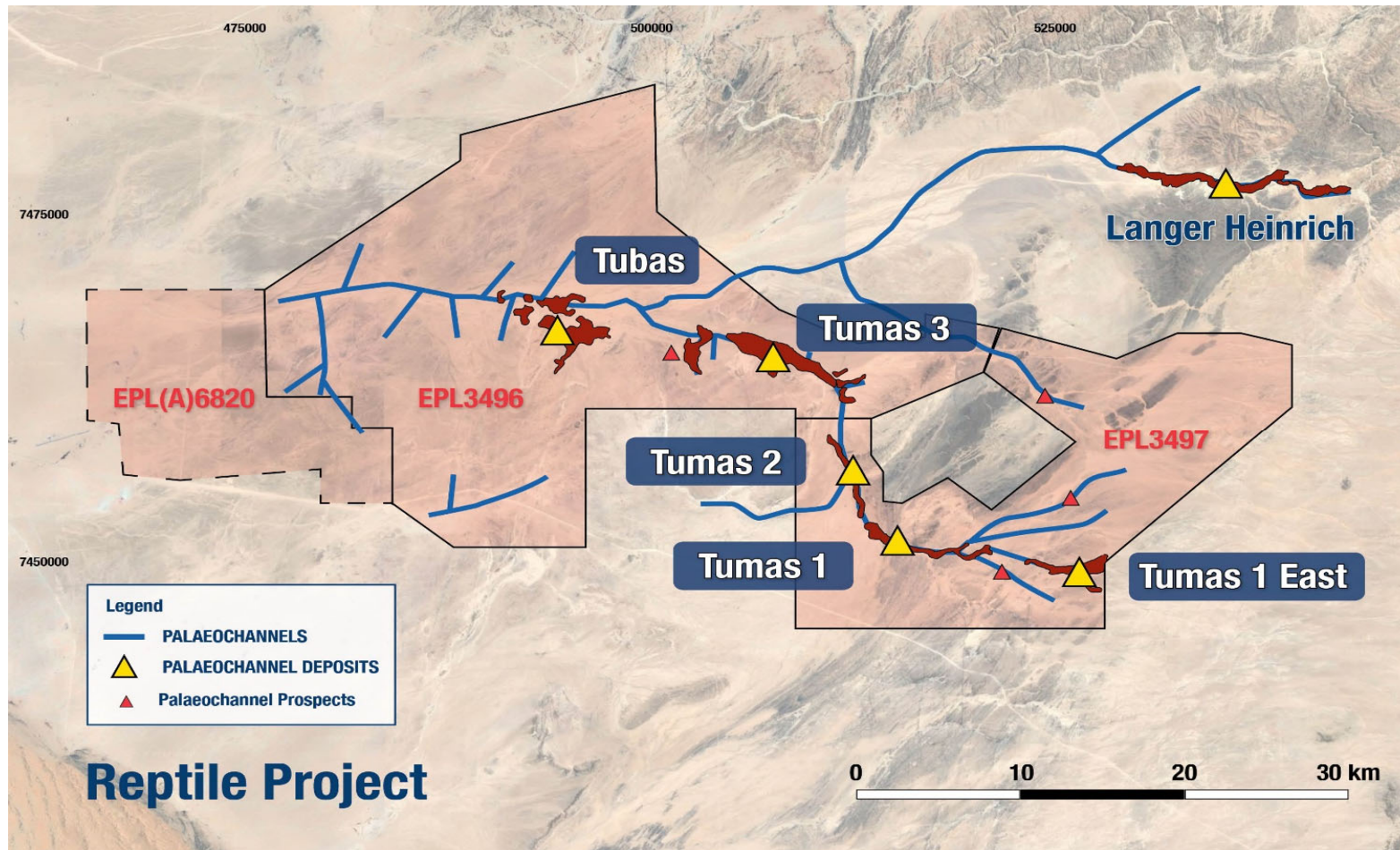
Namibia - A Highly Favourable Destination

- ✿ A large, proven prospective uranium province with exceptional prospectivity.
- ✿ Province contains 1.5Bib U_3O_8 Measured and Indicated Resources.
 - With additional 350Mib U_3O_8 Inferred resources.
- ✿ To date, the region has produced 320Mib U_3O_8 since 1974.
- ✿ Capable of large capacity long-life uranium mining operations.
 - Rössing – 11Mib/pa design.
 - Husab – 15Mib/pa design.
 - Langer Heinrich – 5Mib/pa design.
- ✿ Excellent supportive jurisdiction and infrastructure for uranium development and mining.



Palaeochannels Producing Positive Results

- ❁ **New highly prospective palaeochannels identified**
 - 125km of uranium rich channels delineated. **Two additional deposits discovered.**
 - 60km of channels remaining to be tested. **Very high potential for further discoveries.**



Namibian Projects

Overall Namibian resources 149.3Mlb U₃O₈ grading 323ppm

✿ **Projects prospective for two target types.**

✿ **Reptile Projects – 991km² (100%)**

- Palaeochannel/calcrete targets (Langer Heinrich style) – 104.2Mlb U₃O₈/295ppm.
- Basement/alaskite targets (Rössing/Husab style) – 45.1Mlb U₃O₈/420ppm.
- Targeting 125Mlb – 150Mlb U₃O₈ in palaeochannels.
in the grade range 300-500ppm eU₃O₈.*

✿ **Nova JV Project – 599km² (65%)**

- Strategic farm-in agreement with Japanese partner JOGMEC, spending A\$4.5M.
in four years to earn 39.5% (commenced November 2016).
- Fertile palaeochannel identified at Namaqua.
- Basement targets identified.

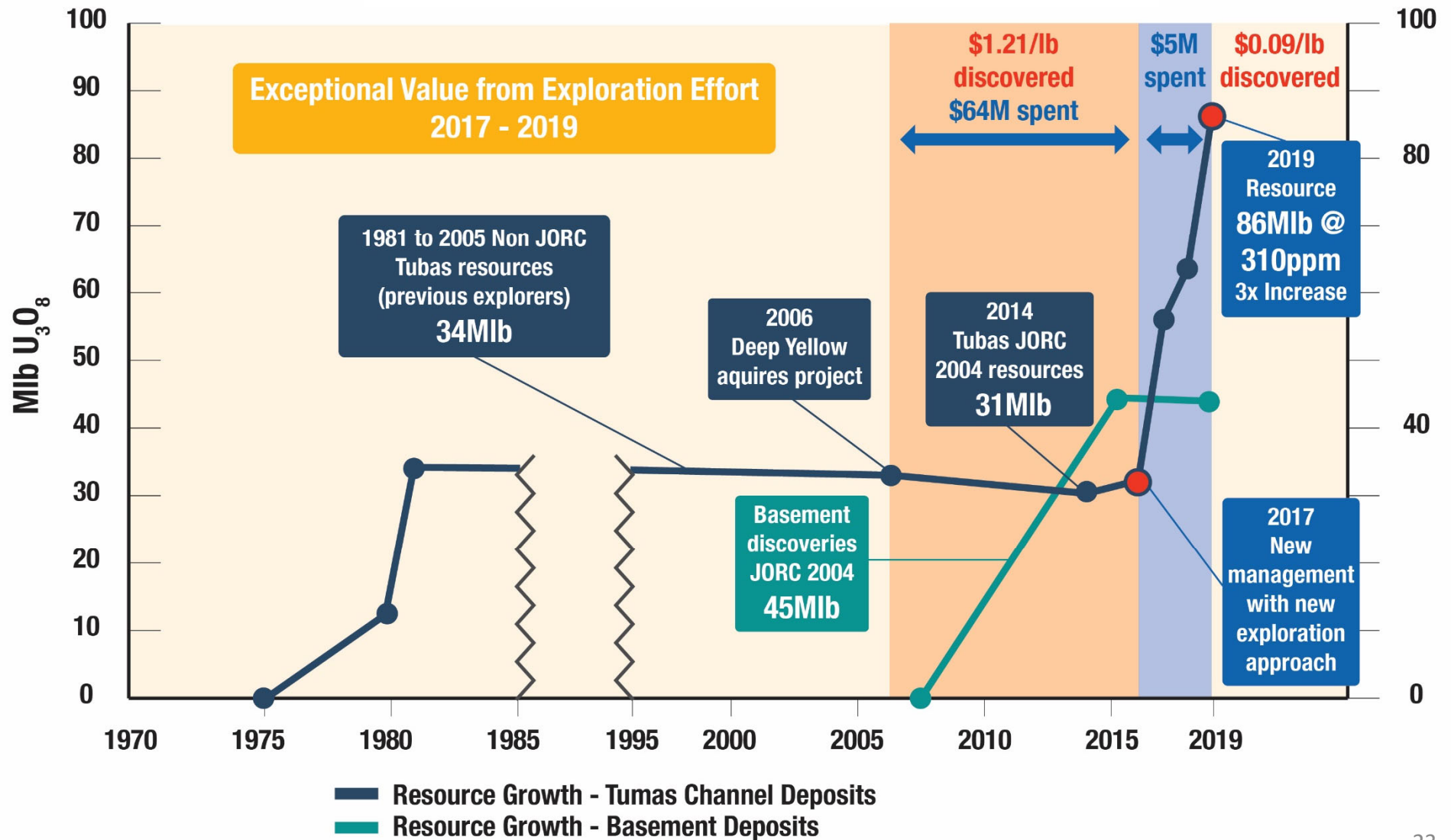
* The potential quantity and grade of the exploration target is conceptual in nature, and that there has been insufficient additional exploration to estimate an expanded Mineral Resource at the date of this presentation and whilst additional exploration is planned, it is uncertain if this will result in the estimation of an expanded Mineral Resource. Following a complete review and evaluation of calcrete associated mineralisation already identified on the Company's tenements (Refer ASX Announcement 19 January 2017), the Company has a greater understanding of the stratigraphy of the palaeochannels which host mineralisation. This work provided renewed confidence that mineralisation is likely to be identified in targeted but contiguous areas on our tenements. Targeted tonnage/grades are based on results and understanding from work carried out over past 10 years in this region. The exploration targets are regarded as valid being confirmed by the exploration carried out since then. Work is continuing forwards achieving the resource targets as stated.

Namibia Uranium Resource Growth on Target

Deep Yellow Limited Uranium Resource Growth 2017 - 2019			
	Status Oct' 2016	FY18 Sept' 2017	FY19 Current Status
Calcrete Deposits			
Resources	50.2Mlb	73.6Mlb	104.2Mlb*
Grade U ₃ O ₈	247ppm	278ppm	295ppm
Calcrete Resources Growth		47% Increase	42% Increase
Calcrete + Basement Deposits			
Resources	95.3Mlb	118.7Mlb	149.3Mlb
Grade U ₃ O ₈	306ppm	319ppm	323ppm
Growth in Total Resources		25% Increase	30% Increase

***Note:** Tumas Channel Resource base over Reptile Project
73.5Mlb U₃O₈ at grade of 355ppm

Resource Growth History vs Expenditure





Conclusions

Key Takeaways

Strategy is Delivering Results



Positioning for the inevitable uranium upturn

- Clear strategy for growth and delivering on stated objectives.
- Recently upgraded to OTCQX trading platform expanding shareholder footprint.
- Funding support.



Growth strategy

- Establish a global uranium platform with assets spanning advanced exploration and early development.
- Grow uranium resource base on Namibian projects.
- Establish a relevant project pipeline with early development capability and production optionality.



Management team with a successful track record of execution

- Unrivalled experience in project acquisition, exploration, construction and operations.
- A perfect opportunity for value creation with contrarian investment approach.

Annexures

Mineral Resources – Palaeochannel and Basement Related

Deposit	Category	Cut-off (ppm U ₃ O ₈)	Tonnes (M)	U ₃ O ₈ (ppm)	U ₃ O ₈ (t)	U ₃ O ₈ (Mlb)	Resource Categories (Mlb U ₃ O ₈)		
							Measured	Indicated	Inferred
BASEMENT MINERALISATION									
Omahola Project - JORC 2004									
INCA Deposit ♦	Indicated	250	7.0	470	3,300	7.2	-	7.2	-
INCA Deposit ♦	Inferred	250	5.4	520	2,800	6.2	-	-	6.2
Ongolo Deposit #	Measured	250	7.7	395	3,000	6.7	6.7	-	-
Ongolo Deposit #	Indicated	250	9.5	372	3,500	7.8	-	7.8	-
Ongolo Deposit #	Inferred	250	12.4	387	4,800	10.6	-	-	10.6
MS7 Deposit #	Measured	250	4.4	441	2,000	4.3	4.3	-	-
MS7 Deposit #	Indicated	250	1.0	433	400	1	-	1	-
MS7 Deposit #	Inferred	250	1.3	449	600	1.3	-	-	1.3
Omahola Project Sub-Total			48.7	420	20,400	45.1	11.0	16.0	18.1
CALCRETE MINERALISATION									
Tumas 3 Deposit - JORC 2012									
Tumas 3 Deposits ♦	Inferred	200	39.7	378.3	15,000	33.1	-	-	-
Tumas 3 Deposits Total			39.7	378	15,000	33.1	-	-	33.1
Tubas Sand Project - JORC 2012									
Tubas Sand Deposit #	Indicated	100	10.0	187	1,900	4.1	-	4.1	-
Tubas Sand Deposit #	Inferred	100	24.0	163	3,900	8.6	-	-	8.6
Tubas Sand Project Total			34.0	170	5,800	12.7	-	-	-
Tumas Project - JORC 2012 (Tumas 1 & 2, and Tumas 1 East Tributaries)									
Tumas Deposit ♦	Measured	200	11	383	4,100	9.1	9.1	-	-
Tumas Deposit ♦	Indicated	200	5	333	1,700	4	-	4	-
Tumas Deposit ♦	Inferred	200	30.8	312	9,700	21.2	-	-	21.2
Tumas Project Total			46.6	332	15,500	34.3	-	-	-
Tubas Calcrete Resource - JORC 2004									
Tubas Calcrete Deposit ♦	Inferred	100	7.4	374	2,800	6.1	-	-	6.1
Tubas Calcrete Total			7.4	374	2,800	6.1	-	-	-
Aussinanis Project - JORC 2004									
Aussinanis Deposit ♦	Indicated	150	5.6	222	1,200	2.7	-	2.7	-
Aussinanis Deposit ♦	Inferred	150	29.0	240	7,000	15.3	-	-	15.3
Aussinanis Project Total			34.6	237	8,200	18.0	-	-	-
Calcrete Projects Sub-Total			162.3	295	47,300	104.2	9.1	10.8	84.3
GRAND TOTAL RESOURCES			211	323	68,100	149.3	-	-	-

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.

Gamma probes were calibrated at Pelindaba, South Africa in 2007 and sensitivity checks are conducted by periodic re-logging of attest hole to confirm operation between 2008 and 2013.

During drilling, probes are checked daily against standard source.

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Mineral Resource Estimates disclosed in this presentation and compiled under the JORC Code 2004 have not yet been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.