

20 August 2014

ASX ANNOUNCEMENT

PERFORMANCE SHARE RIGHTS

Deep Yellow Limited ('Deep Yellow' or the 'Company') (ASX:DYL) is pleased to advise that the Directors have resolved to approve the issue of 22,050,000 performance rights to executives and employees as follows.

Managing Director

The Board has resolved to issue Mr Greg Cochran with 10,000,000 performance share rights as part of his long term incentive, the issue of these securities is subject to shareholder approval. The performance share rights will vest over a period of three years subject to the satisfaction of time and market price hurdles. A summary of the proposed vesting hurdles is set out below:

5,000,000 over three years vesting based on time hurdles
1,000,000 vesting in Dec 2015 if the share price reaches 3c
1,500,000 vesting in Dec 2016 if the share price reaches 5c
2,500,000 vesting in Dec 2017 if the share price reaches 7c

Employees

The Board has also approved an issue of up to 12,050,000 performance share rights to all qualifying employees. This issue is made pursuant to the terms of the Deep Yellow Limited Awards Plan ("Awards Plan"). The performance share rights will vest over a period of three years subject to the satisfaction of time and market price hurdles. A summary of the proposed vesting hurdles is set out below:

9,037,500 over three years vesting based on time hurdles
3,012,500 vesting in Dec 2017 if the share price reaches 7c

The Company will issue the performance share rights on receipt of offer acceptances and in Mr Cochran's case following receipt of shareholder approval.

Yours faithfully



MARK PITTS
Company Secretary