

Deep Yellow Limited

Building for the Future



Creating Opportunity In A Uranium Downturn

African Down Under Conference, Perth 6 – 8 Sept, 2017

John Borshoff - Managing Director / CEO



ASX : DYL

OCT : DYLLF

Deep Yellow

- ✱ **A re-energised, well-funded and advanced uranium explorer**
- ✱ **Differentiated from other mid-sized uranium companies**
- ✱ **New management & core team installed**
 - Unique experience and skillset from the formation and growth of Paladin Energy
- ✱ **Dual strategy for growth with expansion and consolidation**
- ✱ **Strong shareholder and partner support for accretive, long-term growth strategy**

Corporate Overview

Board

Rudolf Brunovs	Chairman
John Borshoff *	Managing Director / CEO
Gillian Swaby *	Director
Christophe Urtel	Director
Mervyn Greene	Director
Justin Reid *	Director
Mark Pitts	Company Secretary

Executives and Management

Perth

John Borshoff *	Managing Director / CEO
Gillian Swaby *	Corporate / Finance
Ed Becker *	Head of Exploration
Ursula Pretorius	Financial Controller

Namibia

Martin Hirsch	Exploration Manager
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* *Ex-Paladin Executive team*

Capital Structure – 17 July 2017

Shares on Issue	190
Market Cap (@ A\$0.25 / share)	A\$47.5M
Net Cash	~ A\$14.5M
<u>Major Shareholders</u>	
Sprott Group Affiliate	15.9%
Collines Investments	10.3%
Directors & Management	6.3%

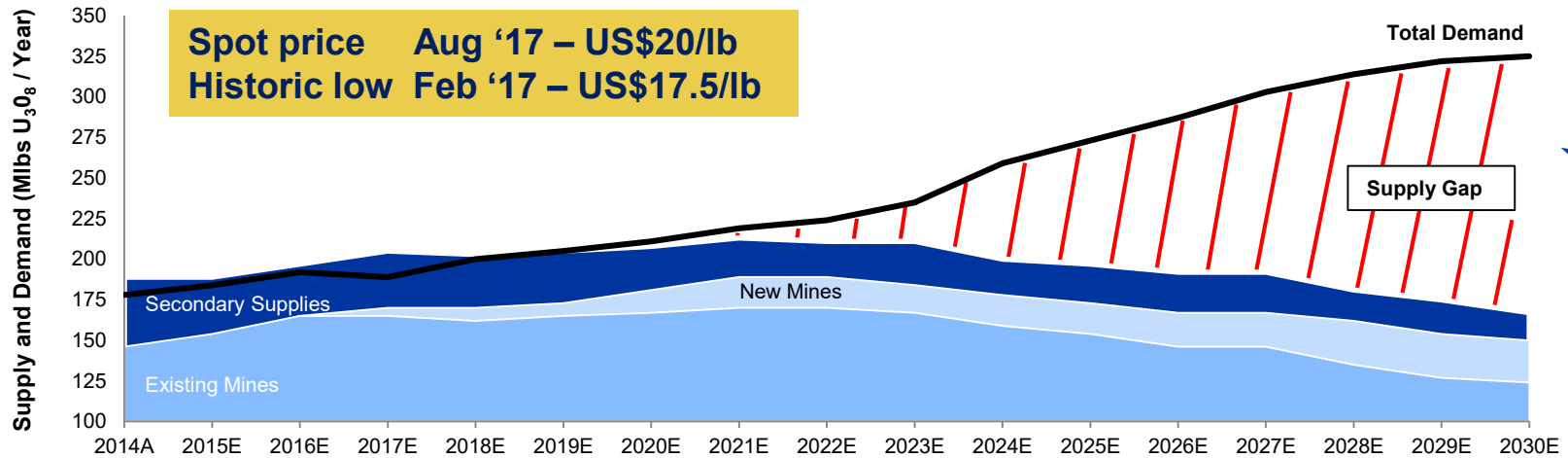
Share Price Development



Presentation Outline

- ✱ **Uranium in Downturn (but with a fantastic future)**
- ✱ Growth Opportunity – Perfect for a Contrarian Play
- ✱ Project Status
- ✱ Conclusions

Supply Deficit Consensus but Price Anomaly Persists



Sources: World Nuclear Association, Raymond James

NUCLEAR DEMAND STRONG – URANIUM PRICE LAG CLEAR

Date/Event	Operable Reactors	Under Construction	Planned	Proposed	U Required	Prevailing U price
Feb 2011 (pre-Fukushima)	443	62	156	322	69ktU	\$73/lb
Aug 2017	447	58	162	349	68ktU	\$20/lb

Source: World Nuclear Association

Extreme potential for prices to substantially overshoot incentive pricing

Supply Gap and New Production Capability

- ✱ **Uranium supply growth in the mid to longer term is highly uncertain**
- ✱ **Some nervousness amongst nuclear utilities:**
 - Supply shortage is inevitable – whether that occurs in 2020 or 2022 is irrelevant
 - Certainty of future uranium supply is the core concern for utilities
- ✱ **This reality will cause progressive upward price movement**
 - There is clear potential for the price to overshoot
- ✱ **Few companies with proven capability to build and operate large production capacity to fill the emerging uranium supply shortage**

A narrow window of opportunity exists to build a company that is capable of capitalising on this situation

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Ingredients for a Successful Contrarian Play

- ✱ A commodity in serious downturn at an extreme condition
- ✱ Investors hate the commodity
- ✱ Few believe the story
- ✱ Need a team and leadership with high credibility and extensive knowledge
- ✱ Need hard-to-get financial backer to support a contrarian play

During the last 8 year uranium cycle: 2003-2011

Some Enjoyed Truly Exceptional Gains

- Uranium “bluechip” Cameco Corp: **+1233%**
- Explorer Energy Fuels: **+4130%**
- Explorer Mega Uranium: **+3152%**
- Explorer Uranium Resources: **+10172%**

Then, an anomaly...

- ▶ **A rare, once-in-a-lifetime case of Paladin,
the firm founded by John Borshoff: **+86900%****

“John Borshoff is now at the helm of Deep Yellow, doing the early work that caused Paladin to become a success in the last cycle.”

Vision for Growth – Key Objectives

- ✱ **Gain value through contrarian investment**
- ✱ **Adopt a dual strategy for growth**
 - Build the in-ground inventory from existing, prospective Namibian projects
 - Build a multi-project global uranium platform through accretive acquisitions
- ✱ **Enhance the Namibian cornerstone projects**
 - Strong potential for new discoveries and resource expansion within existing tenements
- ✱ **Establish a multi-project, global uranium development platform with both growth potential and future production optionality**
 - Develop a project pipeline capable of eventually supporting 5–10Mlb annual production
- ✱ **Create a genuine independent, alternative supplier for utilities**
 - Give confidence a new dependable uranium supplier can come on-stream



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Deep Yellow – Namibian Projects

Situated within the proven, exceptionally prospective Namibian Uranium Province contains Resources of 1.5Blb* (Measured & Indicated) plus 350Mlb* (Inferred) U_3O_8 all within a 50km radius. Additionally, to date the region has produced 320Mlb* U_3O_8 .

*Source: WNA (March 2017)

Highly favourable jurisdiction

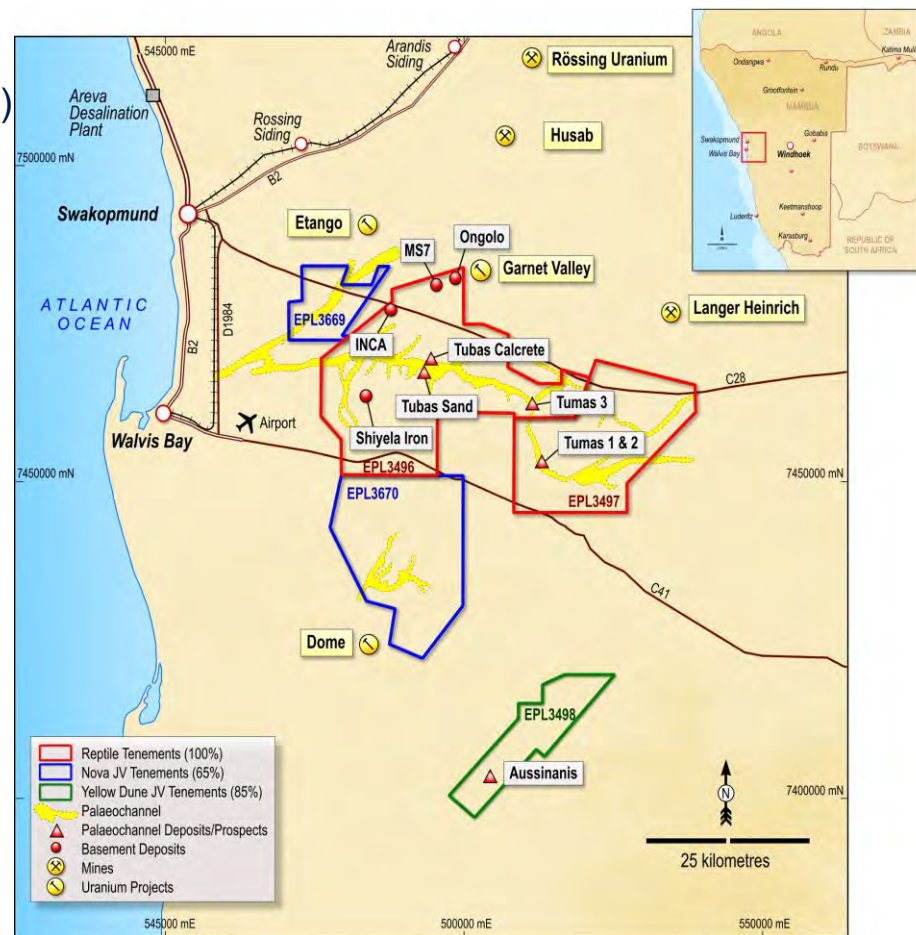
- Palaeochannel/calcrete targets (Langer Heinrich style)
- Basement/alaskite targets (Rössing/Husab style)

Reptile: (EPLs 3496/97) – 991km² (100%)

- Re-interpretation identified new discovery and significant new targets.
- Existing resources 95Mlb U_3O_8
- Targeting 150Mlb+ uranium resource base

Nova JV: (EPLs 3669/70) – 599km² (65%)

- New strategic farm-in agreement with leading Japanese partner JOGMEC
- Must spend A\$4.5M in 4 years to earn 39.5%
- Final equities on earn-in: Deep Yellow (Manager) 39.5%, JOGMEC 39.5%, Toro 15%, Sixzone 6%.



Palaeochannels Highly Prospective



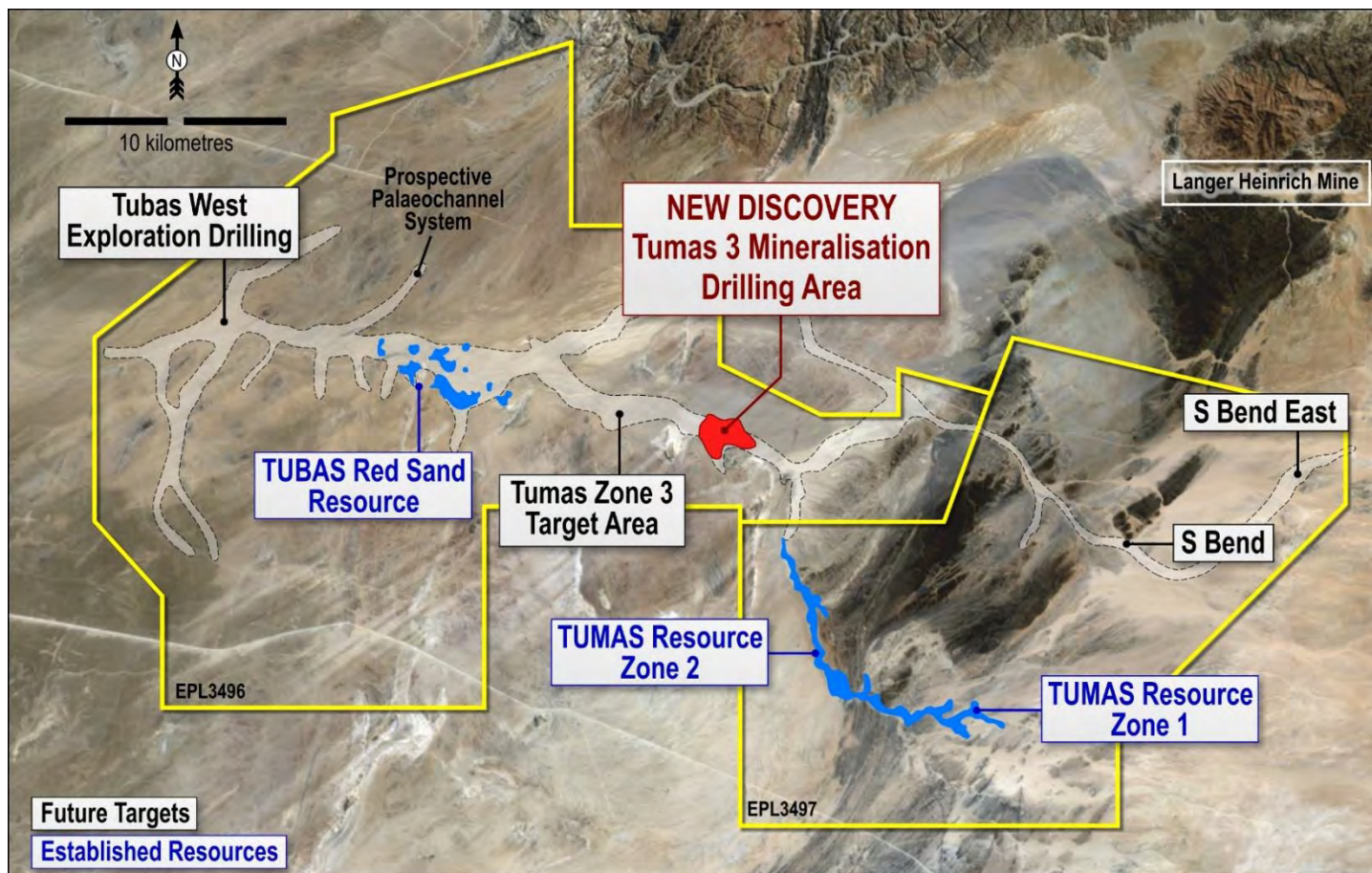
Re-interpretation and target delineation work in past 10 months:

- Defined Tumas 3, S Bend and S Bend East as priority exploration areas
- Confirmed 100km of highly prospective palaeochannels inadequately tested



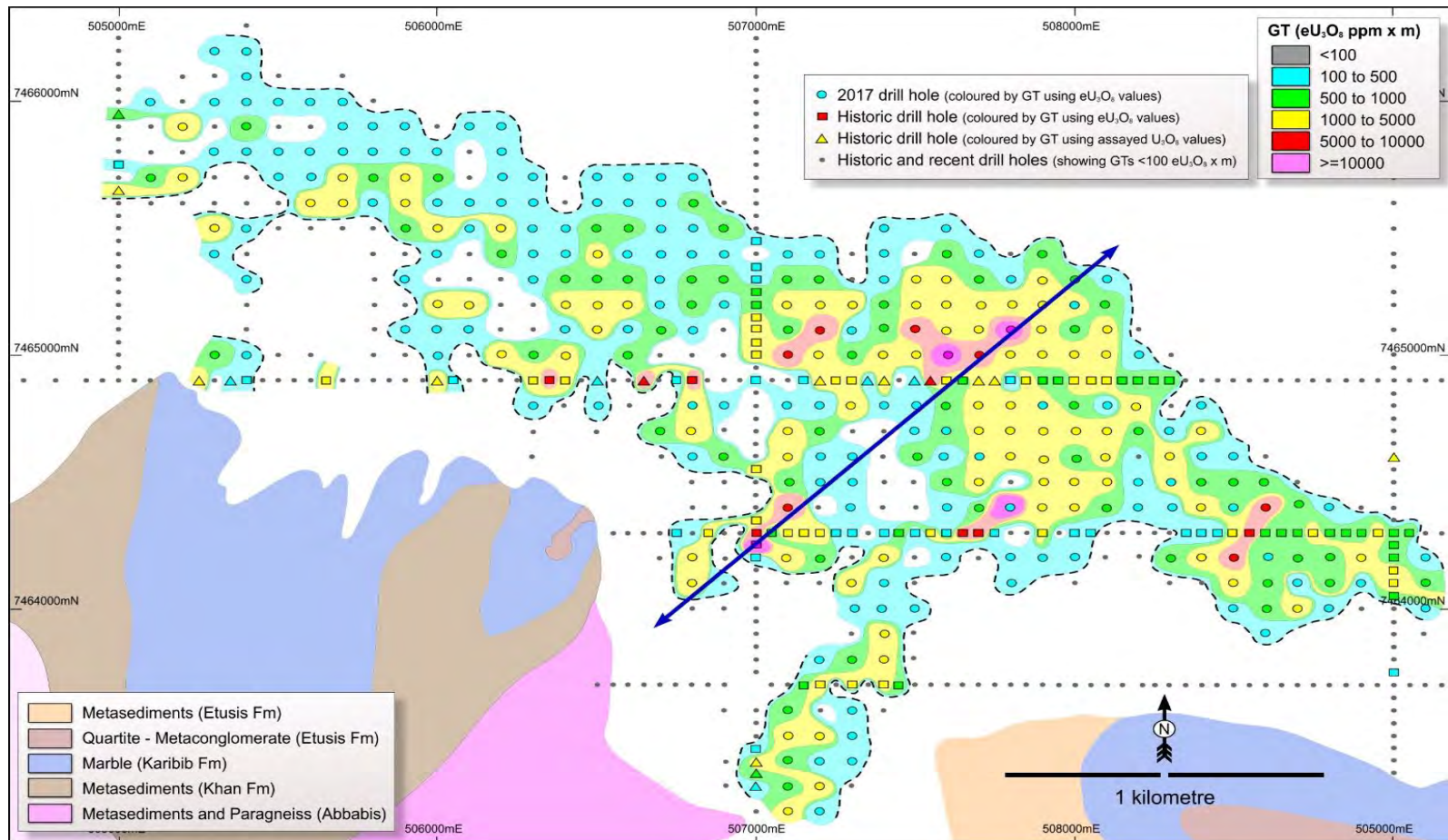
New uranium discovery at Tumas 3 with March/June drilling:

- Results shows similar characteristics to mineralisation at the Langer Heinrich mine



Tumas 3 Uranium Discovery

- ✱ **Uranium intersected in 284 of 400 holes drilled 100m x 100m**
- ✱ **Mineralisation over 4.4km - open E and W**
- ✱ **Maiden resource estimate expected in late September 2017**

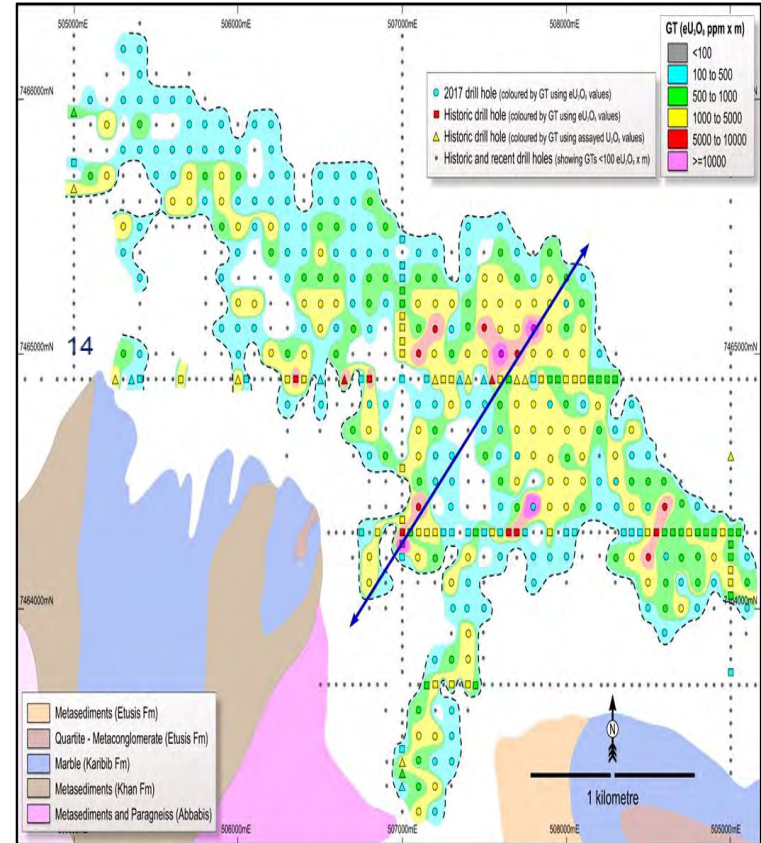


Tumas 3 – Key Drilling Results



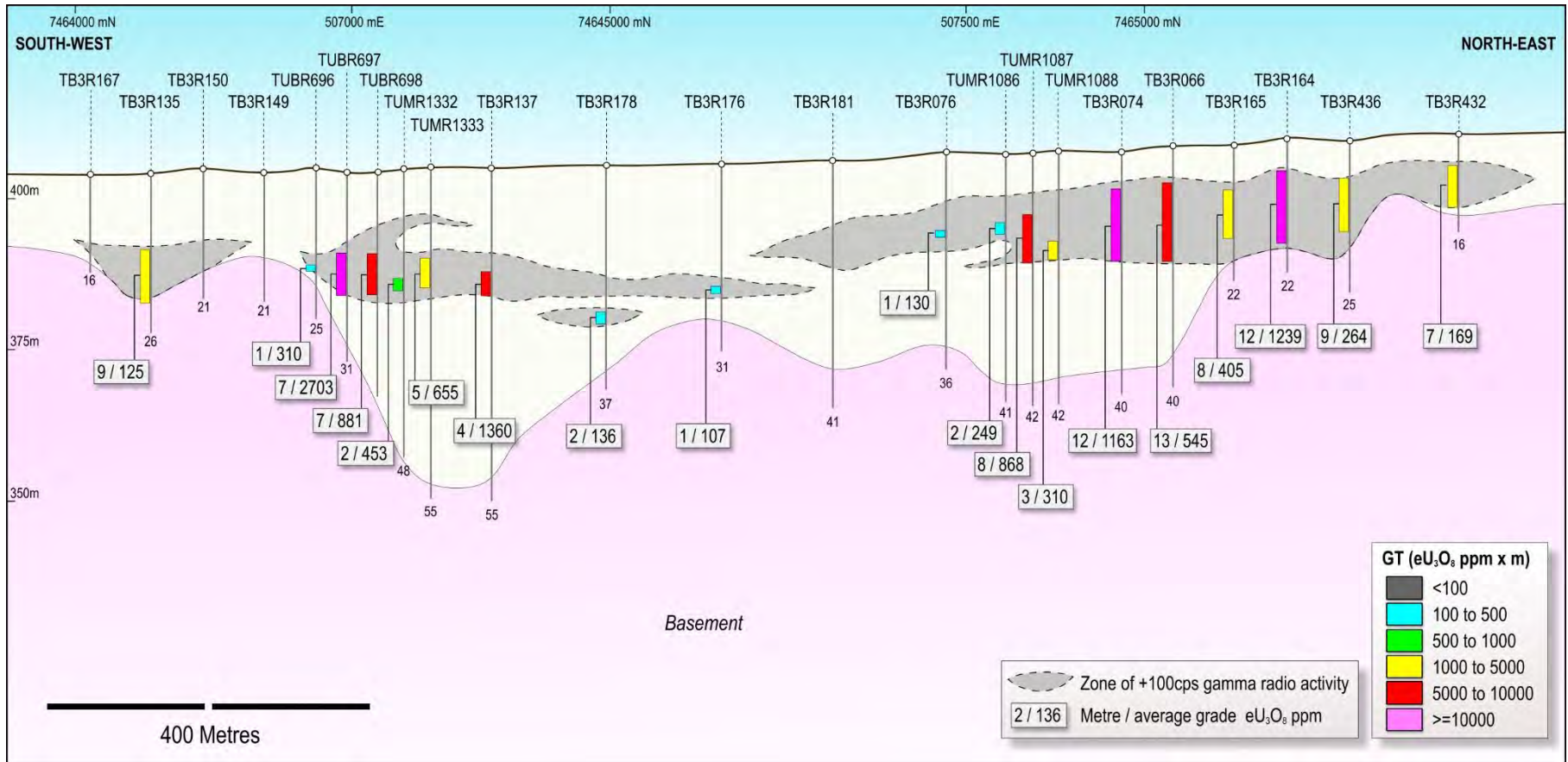
Significant Intersections

Thickness (m)	Grade (eU ₃ O ₈)	Depth from (m)
4	1,360ppm	17.1
12	1,239ppm	5.1
12	1,163ppm	6.1
3	1,044ppm	8.1
14	999ppm	6.1
6	710ppm	9.1
12	704ppm	7.1
13	664ppm	7.1
5	651ppm	13.1
7	635ppm	9.1
5	565ppm	13.1
9	559ppm	10.1



Tumas 3 – Drillhole Cross Section

- Mineralised zone 200m - 900m wide in channel sediments
- Flat lying/near surface 1m - 21m deep



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Key Takeaways



New focus and positioning for the next uranium cycle

- Strategy now clearly defined under new management
- Strategic Alliance with Sprott in place and investor base regenerated
- Well funded with ~\$14.5M cash post June capital raising



Building the premier global uranium consolidation vehicle

- Establish a geographically diversified asset base
- Namibian projects returning excellent early results including an exciting new discovery
- Acquire assets spanning advanced exploration and early development
- Establish a platform with production optionality and value creation opportunities



Management team with a successful track record of execution

- Uranium market analogous to the depressed conditions of ~15 years ago making an opportunity for high wealth creation with contrarian investment approach
- Unrivalled experience in project acquisition, exploration, construction and operation



THANK YOU

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ASX - DYL

OTC - DYLLF

NSX - DYL

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